CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

National income and expenditure in the fourth quarter and year 1979

The Budget: 26 March 1980

Economic prospects to mid-1981

No 318
April 1980
HMSO £5.40 net

A publication of the Government Statistical Service

Release dates of economic statistics to be published in May 1980

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in May 1980. The dates are targets which are normally expected to be met. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about individual series should be made to the source named.

Publication date	Series	Method of release	Source
May 1980			
Thurs 1	Stoppages of work due to industrial disputes (March)	*Gazette*	D of Employment
	Overtime and short-time working in manufacturing industries (February)	*Gazette*	D of Employment
	Employment in the production industries (February)	*Gazette*	D of Employment
	Unemployment and unfilled vacancies (March – final)	*Gazette*	D of Employment
	Energy Trends	PN	D of Energy
	Consumers' expenditure (1st quarter – 1st preliminary estimate)	PN	CSO
	Building society house prices and mortgage statistics (1st quarter)	PN	D of the Environment
Fri 2	Car and commercial vehicle production (March – final)	*British Business*	D of Industry
	Capital issues and redemptions (during the month of April)	PN	Bank of England
	UK official reserves (April)	PN	HM Treasury
Tues 6	Wholesale price index numbers (April – provisional)	PN	D of Industry
Wed 7	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid–April)	PN	Bank of England
	London clearing banks' monthly statement (mid–April)	PN	CLCB
Thurs 8	House renovations (1st quarter)	PN	D of the Environment
	Slum clearance (1st quarter)	PN	D of the Environment
	Housing starts and completions (March)	PN	D of the Environment
	Provisional figures of vehicle production (April)	PN	D of Industry
Mon 12	Central government transactions (including borrowing requirement) (April)	PN	HM Treasury
Tues 13	Building societies' monthly figures (April)	PN	BSA
	Hire purchase and other instalment credit business (March)	PN	D of Trade
	Retail sales (March – final)	PN	D of Trade
Wed 14	Indices of basic rates of wages (April)	PN	D of Employment
	Indices of average earnings (March)	PN	D of Employment
Thurs 15	UK banks' assets and liabilities and the money stock (mid–April)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid–April)	PN	Bank of England
Fri 16	Retail price index (April)	PN	D of Employment
	Usable steel production (April)	PN	BSC/BISPA
	Balance of payments current account and overseas trade figures (April)	PN	D of Trade/CSO
	Tax and price index (April)	PN	CSO
Sun 18	Department for National Savings' monthly progress report (April)	PN	D for National Savings
Mon 19	Turnover of the catering trades (1st quarter)	PN	D of Trade
	Index of industrial production (March – provisional)	PN	CSO
Tues 20	Unfilled vacancies (May – provisional)	PN	D of Employment
	Unemployment (May – provisional)	PN	D of Employment
	Construction – new orders (March)	PN	D of the Environment
Wed 21	Cyclical indicators for the UK economy (April)	PN	CSO
	Consumers' expenditure (1st quarter – 2nd preliminary estimate)	PN	CSO
Thurs 22	Public sector borrowing requirement and details of local authority borrowing (1st quarter)	PN	CSO
	Manufacturers' and distributors' stocks (1st quarter – provisional)	PN	D of Industry
	Capital expenditure by the manufacturing, distributive and service industries (1st quarter – provisional)	PN	D of Industry
	New vehicle registrations (April)	PN	D of Transport
Fri 23	Turnover of the motor trades (1st quarter)	*British Business*	D of Industry
	Preliminary estimate of gross domestic product based on output data (1st quarter)	PN	CSO
Tues 27	Retail sales (April – provisional)	PN	D of Trade
	CBI monthly trends inquiry (May)	PN	CBI
Wed 28	Bricks and cement production (April)	PN	D of the Environment
Thurs 29	Unemployment, vacancies and placings by occupation (1st quarter)	*Gazette*	D of Employment
	Stoppages of work due to industrial disputes (April)	*Gazette*	D of Employment
	Overtime and short-time working in the manufacturing industries (March)	*Gazette*	D of Employment
	Employment in the production industries (March)	*Gazette*	D of Employment
	Unemployment and unfilled vacancies (April – final)	*Gazette*	D of Employment
	Occupations in engineering	*Gazette*	D of Employment
	Quarterly estimates of employees in employment (December)	*Gazette*	D of Employment
	Investment intentions of the manufacturing, distributive and service industries (1980 and 1981)	PN	Dept of Industry
	Energy Trends	PN	D of Energy
Fri 30	Car and commercial vehicle production (April – final)	*British Business*	Dept of Industry
	Sales and orders in the engineering industry (February)	*British Business*	D of Industry

PN—*Press Notice*

CENTRAL STATISTICAL OFFICE

Economic Trends

No 318
April 1980

London: Her Majesty's Stationery Office

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First published 1980

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Government Statistical Service

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The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

Enquiries about orders and subscriptions should be made to the publisher, Her Majesty's Stationery Office, PO Box 569. London SE1 9NH. Telephone 01-928 1321.

ISBN 0 11 726022 3
ISSN 0013–0400

Introduction

Economic Trends brings together all the main economic indicators.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of recent economic events. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier.

- The main section shows the movements of the key economic indicators over the last five years or so. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

- A further chart shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The main tables and charts in this issue contain information available to the CSO on 21 April. The 'Latest developments' section may contain later information.

2. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

5. 'Billion' denotes one thousand millions.

Symbols used:

..	not available or not meaningful
–	nil or less than half the final digit shown
§	series for which measures of variability are given on page 70
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

The Editor would welcome readers' suggestions for improvements to *Economic Trends*

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Latest developments in the economy[1]

(data available at 18 April 1980)

Output

The underlying level of industrial output has not changed significantly in recent months. The index of industrial production in February was about 1½ per cent less than in January because of the steel strike.

Balance of payments

In February the visible balance of trade improved by £50 million to a deficit of £176 million. In the first quarter of 1980 there was a visible trade deficit of £723 million compared with one of £745 million in the previous quarter. Improvements in finished manufactures and most other commodity groups substantially offset trade in silver bullion and in the more erratic items which deteriorated by £400 million. Exports rose by 7½ per cent in value and 2 per cent by volume between the fourth quarter of 1979 and the first quarter of 1980. The trend in export volume is broadly flat. Imports were up by 7 per cent in value but down 1½ per cent by volume. The terms of trade worsened by 3 per cent. Excluding oil they were down by 1 per cent.

The current account was in deficit by £573 million in the first quarter, with an estimated surplus of £150 million on invisibles, following a deficit of £674 million in the fourth quarter.

Earnings and wage rates (not seasonally adjusted)

There was an 18·6 per cent rise in the average earnings of employees in Great Britain between February 1979 and February 1980. This estimate is based on the whole economy index.

The index of basic weekly wage rates at the end of March was 16·2 per cent higher than a year earlier.

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

Prices (not seasonally adjusted)

The price index for materials and fuel purchased by manufacturing industry increased by 1 per cent between February and March. The increase over the year to March was 28½ per cent.

The wholesale price index for home sales of manufactured products increased by 1¼ per cent between February and March and was 18¾ per cent higher than a year earlier.

The retail price index in March was 252·2 (January 1974 = 100). This is an increase of 1·4 per cent on February 1980 and 19·8 per cent on March 1979.

The tax and price index for March was 127·2 (January 1978 = 100), an increase of 17·6 per cent on March 1979.

Official reserves and the exchange rate (not seasonally adjusted)

The UK official reserves rose by $204 million in March to $24,139 million. After the annual revaluation (made this time according to a modified formula) the reserves were $26,963 million on 31 March.

The sterling effective exchange rate index (1971 = 100) was 72·3 on 1 April and generally rose steadily during the month reaching 73·1 on 17 April.

Money stock

During the four weeks ending 19 March, sterling M_3 rose by £220 million or 0·4 per cent. In the first nine months of the current target period the growth has been at an annual rate of 11¼ per cent. M_1 rose by £320 million during the month.

Domestic credit expanded by £610 million. The central government borrowing requirement was £730 million but net sales of debt to the non-bank private sector totalled only £240 million. Bank lending in sterling to the private sector was £160 million while external and foreign currency finance was contractionary at *minus* £230 million.

Economic events

March

14 The Civil Service Department announced a 14 per cent cash limit for the increase in civil service wage costs in 1980–81 and that manpower must be reduced by 2¼ per cent.
President Carter announced a package of anti-inflation measures. From October the US Federal Budget will be in balance. This will be achieved by $13 – $14 billion spending cuts and new revenue measures, including a $4·62-a-barrel levy on imported oil and withholding tax on interest and dividend payments.

20 A Green Paper (Cmnd 7858) on monetary control was published by the Treasury and the Bank of England. Monetary objectives will continue to be in terms of a target for the growth of sterling M3. It proposed that the supplementary special deposits scheme (the 'corset') should be phased out and that the 12½ per cent reserve asset ratio is no longer needed for monetary control.

26 Sir Geoffrey Howe, the Chancellor of the Exchequer, introduced his second Budget. It consolidates the start made in the Budget of June 1979 and forms part of the Government's medium-term monetary and fiscal strategy. At the heart of the strategy is a target for steadily declining monetary growth, underpinned by a progressive fall in the volume of public spending and a substantial reduction in Government borrowing as a proportion of national income. This is embodied in the Government's medium-term financial strategy which sets out a four-year path for monetary growth, public spending and tax policies, with the target rate of growth of money supply reduced to around 6 per cent by 1983–84. The Budget included measures to encourage initiative and enterprise, particularly among small businesses, and the setting up of about half-a-dozen 'enterprise zones' in areas with economic problems.
The *Financial Statement and Budget Report* 1980–81 (the 'Red Book') and the White Paper *The Government's Expenditure Plans 1980–81 to 1983–84* (Cmnd 7841) were published.

27 The Secretary of State for Social Services, Mr Patrick Jenkin, gave details of increases in social security benefits to take effect in November. Retirement pensions go up by £3·85 to £27·15 for a single person and by £6·15 to £43·45 for a married couple. The increases match the 16½ per cent expected movement in prices between the last uprating and the next. Certain short-term benefits (the adult rates of unemployment, sickness, injury and maternity benefit) and invalidity benefit are not at present taxed, so they will be uprated by 5 percentage points less than the forecast increase in prices.

April

1 The national steel strike was called off. The Iron and Steel Trades Confederation accepted a settlement worth 16 per cent overall, following an increase of 1½ per cent on the BSC offer awarded by a committee of inquiry.

3 The Minister of State at the Civil Service Department, Mr Paul Channon, announced that pay increases averaging 18¾ per cent had been agreed for most of the main grades of non-industrial civil servants. Some staging would be necessary to keep the cost of the settlement in 1980–81 within the cash limit margin.

9 The Bank of England extended for a further month its £500 million loan to the London and Scottish clearing banks for the sale and repurchase of gilts (until 19 May).

14 The Clegg Commission on pay comparability recommended pay increases averaging 18·2 per cent for about 600,000 teachers in schools, colleges and polytechnics. This would be on top of the 9·3 per cent increase they received in April 1979.

Selected monthly indicators[1]

		Seasonally adjusted				Unadjusted							Seasonally adjusted	
		1976 =100	1975 =100	Thousands		Jan. 1976 =100	1975 =100	Jan. 1974 =100	Jan. 1978 =100	Dec. 1971 =100	$ billion	£ million		
		Volume of retail sales (GB)[2,3,4] §	Index of industrial production[5] §	Unemployment[6,7] §	Vacancies[8,9] §	Average earnings (whole economy: GB)	Wholesale price of materials and fuel[10]	Retail price index (all items)	Tax and price index[11]	Sterling effective exchange rate	U.K. official reserves[12]	Balance of payments: Current balance	Money stock sterling M[3]	
1978	*A*	99·6	111·2†	1,403·0	198·3	127·2	145·1	194·6	98·4	61·8	17·0	+257†	46,310	
	M	100·2	110·1	1,386·3	203·4	129·4	146·8	195·7	99·0	61·5	16·7	+ 50	46,840	
	J	100·6	110·6	1,379·6	210·5	133·1	147·0	197·2	100·0	61·3	16·5	+105	47,210	
	J	102·9	111·0	1,367·9	211·3	133·6	145·8	198·1	100·5	62·1	16·7	+ 52	47,880	
	A	103·1	111·7	1,370·6	214·1	131·7	144·2	199·4	101·3	62·4	16·4	+214	47,670	
	S	100·9	111·0	1,357·2	224·8	134·2	144·8	200·2	101·8	62·7	16·5	− 10	48,140	
	O	101·1	109·3	1,347·4	232·9	135·2	145·7	201·1	102·4	62·5	16·0	+245	48,490	
	N	100·6	110·1	1,333·3	235·1	136·1	147·3	202·5	103·2	62·5	15·7	+ 71	48,800	
	D	102·9	111·7	1,323·5	238·1	138·0	148·3	204·2	104·3	63·2	15·7	+218	49,520	
1979	*J*	99·3	105·1	1,340·9	236·2	135·7	151·8	207·2	106·1	63·5	16·3	− 62	50,570	
	F	100·9	112·2	1,366·0	229·0	141·1	153·3	208·9	107·2	63·7	16·6	−621	51,080	
	M	101·6	113·0	1,360·3	232·0	143·7	155·2	210·6	108·2	65·0	21·9	−532	50,640	
	A	106·1	113·6	1,325·3	243·6	144·3	160·6	214·2	110·5	66·9	21·5	− 86	51,360	
	M	102·6	114·9	1,306·1	254·6	146·9	162·8	215·9	111·6	66·9	21·5	−125	52,090	
	J	109·3	116·0	1,281·8	258·8	150·9	166·6	219·6	113·8	68·3	22·1	− 99	52,690	
	J	98·5	115·9	1,276·4	252·9	155·6	168·1	229·1	113·8	71·9	23·4	+ 29	53,110	
	A	100·8	112·3	1,262·0	248·6	153·3[13]	169·1	230·9	114·9	71·4	23·2	−141	53,670	
	S	99·4	111·9	1,261·9	245·9	153·6[13]	172·5	233·2	116·2	69·8	22·7	−126	53,990	
	O	100·8	111·9	1,278·8	238·4	158·1	178·1	235·6	117·6	68·4	22·3	−394	55,020	
	N	102·5	114·4	1,283·7	234·6	162·1	186·0	237·7	118·8	68·4	22·2	− 52	55,370	
	D	101·7	112·5	1,297·7	222·3	165·0	187·5	239·4	119·8	69·7	22·5	−228	55,620	
1980	*J*	103·0†	111·9	1,336·7	206·9	163·0[14]†	193·5†	245·3	123·2	71·4	23·4	−271	56,180†	
	F	104·1	110·4	1,383·1	191·4	167·3[14,15]	197·6[15]	248·8	125·3	72·8	23·7	−176	56,700	
	M			1,413·5†	180·8		199·4[15]	252·2	127·2	72·3	27·0	−126	56,910	
		Percentage change, latest three months on previous three months												
1979	*A*	+ 1·6	+ 3·6†	+ 1·3	− 0·7	+ 4·7	+ 4·9	+ 3·2	..	+ 3·4	..	..	+ 2·8	
	M	+ 2·1	+ 3·8	− 1·0	+ 3·8	+ 4·9	+ 5·6	+ 3·3	..	+ 4·4	..	..	+ 1·9	
	J	+ 5·5	+ 4·3	− 3·8	+ 8·6	+ 5·1	+ 6·5	+ 3·7	..	+ 5·2	..	..	+ 2·5	
	J	+ 1·1	+ 2·4	− 4·6	+ 8·8	+ 5·7	+ 6·1	+ 4·9	..	+ 5·9	..	..	+ 3·1	
	A	—	+ 1·0	− 4·3	+ 4·1	+ 5·7[13]	+ 5·3	+ 6·0	..	+ 6·4	..	..	+ 3·5	
	S	− 6·3	− 1·5	− 2·9	− 1·3	+ 4·6[13]	+ 4·0	+ 6·7	..	+ 5·4	..	..	+ 3·0	
	O	− 3·5	− 3·3	− 1·6	− 4·4	+ 2·6	+ 4·5	+ 5·3	..	+ 1·2	..	..	+ 3·0	
	N	− 2·4	− 2·0	+ 0·1	− 5·4	+ 3·0	+ 6·5	+ 4·0	..	− 2·4	..	..	+ 3·1	
	D	+ 2·2	—	+ 1·6	− 7·0	+ 4·9	+ 8·2	+ 2·8	..	− 3·1	..	..	+ 3·3	
1980	*J*	+ 2·1†	+ 1·1	+ 3·0	− 9·4	+ 5·4[14]†	+ 9·1	+ 3·3	..	—	..	..	+ 2·8	
	F	+ 2·0	− 0·7	+ 5·0	−13·7	+ 4·6[14,15]	+ 7·8[15]†	+ 3·8	..	+ 3·5	..	..	+ 2·5	
	M			+ 7·1	−16·7		+ 7·1[15]	+ 4·7		+ 4·8			+ 2·3	
		Percentage change, latest three months on corresponding period of previous year												
1979	*A*	+ 2·9	+ 3·9†	− 4·2	+22·5	+14·5	+10·1	+ 9·8	+ 8·4	+ 1·9	..	..	+11·5	
	M	+ 3·2	+ 4·0	− 5·0	+23·1	+14·0	+10·3	+10·1	+10·5	+ 5·7	..	..	+11·0	
	J	+ 6·1	+ 3·8	− 6·1	+23·7	+13·4	+11·6	+10·6	+12·9	+ 9·5	..	..	+11·2	
	J	+ 2·7	+ 4·6	− 6·5	+22·6	+14·5	+13·2	+12·4	+13·3	+12·0	..	..	+11·2	
	A	+ 1·3	+ 3·3	− 7·2	+19·6	+15·4[13]	+15·3	+14·3	+13·5	+13·9	..	..	+11·7	
	S	− 2·6	+ 1·6	− 7·2	+14·9	+15·8[13]	+17·2	+16·0	+13·6	+13·8	..	..	+11·9	
	O	− 1·3	+ 1·0	− 6·7	+ 9·1	+15·9	+19·6	+16·5	+14·1	+11·7	..	..	+12·7	
	N	− 0·1	+ 2·1	− 5·3	+ 3·8	+16·8	+22·6	+17·0	+14·7	+10·1	..	..	+13·0	
	D	—	+ 2·3	− 3·6	− 1·5	+18·6	+25·0	+17·3	+14·9	+ 9·7	..	..	+13·1	
1980	*J*	+ 1·3†	+ 3·6	− 2·0	− 6·4	+19·6[14]†	+26·7	+17·7	+15·4	+10·7	..	..	+12·3	
	F	+ 1·6	+ 1·8	− 0·3	−11·8	+19·5[14,15]	+27·6[15]†	+18·2	+16·0	+12·3	..	..	+11·5	
	M			+ 1·6	−16·9		+28·3[15]	+19·1	+16·9	+12·6			+11·5	

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences, January 1980 is exceptionally a five-week period. Further details are given on page 716 of *Trade and Industry* 14 March 1975.
[4] This series has been rebased on the 1976 retailing inquiry. Further details are given on page 336 of *British business*, 29 February 1980, and on page 437 of the 14 March 1980 issue.
[5] All industries covered. [6] Unemployed excluding school-leavers.
[7] From October 1979, figures have been adjusted for the effects of fortnightly payment of benefit, as described on page 1151 of *Employment Gazette*, November 1979. [8] Vacancies notified to employment offices. [9] The seasonally adjusted series have been revised as described in the March 1980 *Employment Gazette*. [10] Purchased by manufacturing industry.
[11] Described in an article in *Economic Trends* No. 310, August 1979. [12] See footnote [2] on page 50. [13] These figures are affected by the industrial dispute in the engineering industries. [14] See footnote [5] on page 40. [15] Provisional.

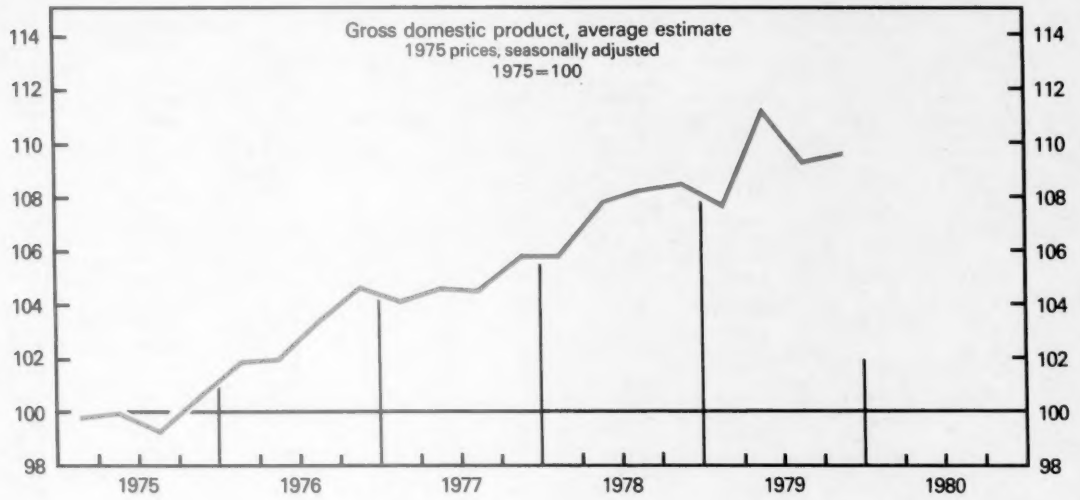
Tables and charts

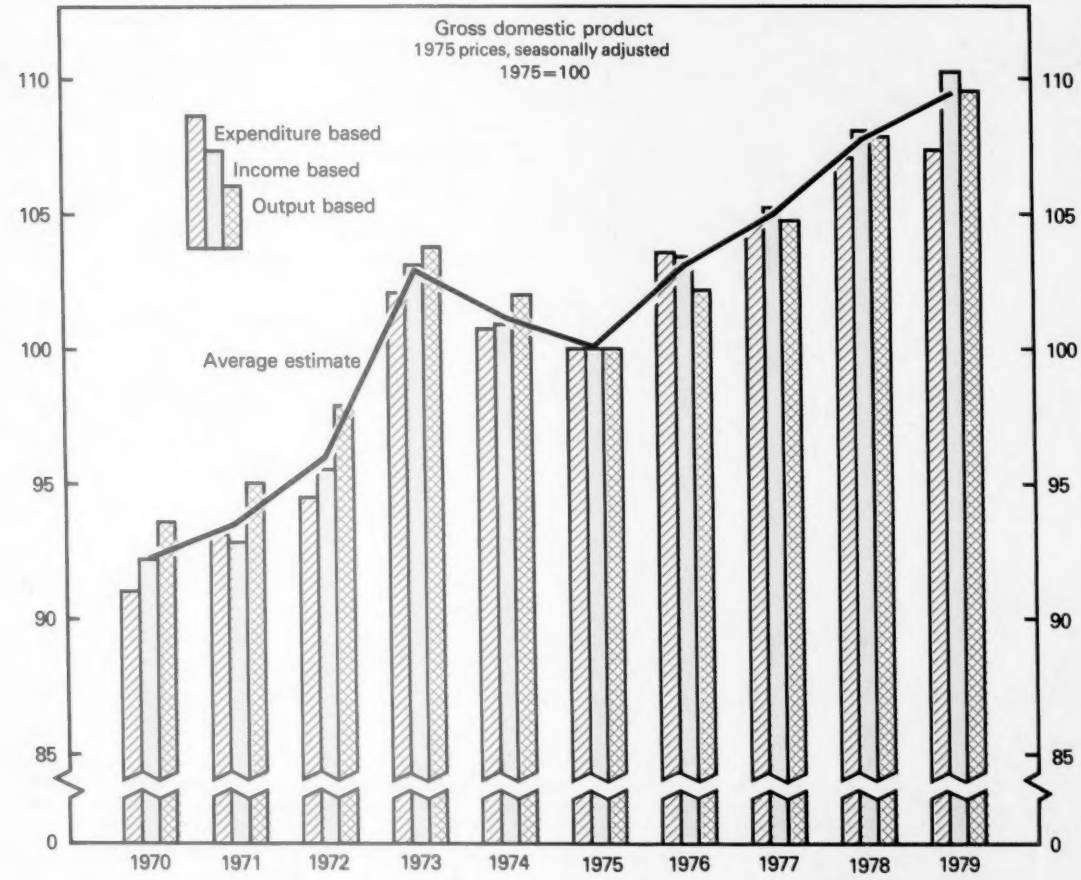
Gross domestic product at factor cost, total home costs and national disposable income revalued at 1975 market prices[1]

Seasonally adjusted

	Gross domestic product at factor cost									Implied Index of total home costs	National disposable income at 1975 market prices[2]
	At current prices				At 1975 factor cost						
	£ million		1975 =100		£ million	1975 =100				1975 =100	1975 =100
	Based on:		Based on:		Based on:	Based on:				Based on:	
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	expenditure data	Average estimate
1969	39,579	39,902	42·3	42·8	83,384	89·1	90·2	92·0	90·4	47·5	93·7
1970	43,466	43,847	46·5	47·1	85,121	91·0	92·2	93·6	92·2	51·1	96·3
1971	49,351	48,946	52·7	52·5	87,167	93·1	92·8	95·0	93·6	56·6	98·2
1972	55,101	55,446	58·9	59·5	88,424	94·5	95·5	97·9	96·0	62·3	101·0
1973	63,941	64,300	68·3	69·0	95,510	102·1	103·1	103·7	103·0	67·0	106·1
1974	73,953	73,791	79·0	79·2	94,237	100·7	100·9	102·0	101·2	78·5	100·5
1975	93,592	93,193	100·0	100·0	93,592	100·0	100·0	100·0	100·0	100·0	100·0
1976	110,110	109,370	117·7	117·4	96,971	103·6	103·4	102·2	103·1	113·5	102·8
1977	124,489	124,829	133·0	134·0	97,864	104·6	105·3	104·7	104·9	127·2	103·7
1978	141,643	142,400	151·4	152·8	100,189	107·1	108·1	107·9	107·7	141·4	108·6
1979	159,142	162,758	170·1	174·7	100,476	107·4	110·3	109·6	109·5[4]	158·4	111·0
1975 *1*	21,532	21,555	92·0	92·5	23,161	99·0	99·5	101·3	99·9	93·0	100·0
2	23,057	22,702	98·6	97·5	23,582	100·8	99·7	99·8	100·1	97·8	
3	23,872	23,912	102·0	102·6	23,170	99·0	99·6	99·2	99·3	103·0	100·0
4	25,131	25,024	107·4	107·4	23,679	101·2	101·2	99·8	100·7	106·1	
1976 *1*	26,279	25,597	112·3	109·9	24,201	103·4	101·2	101·0	101·9	108·6	102·0
2	26,854	26,698	114·8	114·6	23,920	102·2	102·1	101·7	102·0	112·3	
3	27,892	27,936	119·2	119·9	24,303	103·9	104·5	101·9	103·5	114·7	103·5
4	29,085	29,139	124·3	125·0	24,547	104·9	105·6	104·0	104·8	118·5	
1977 *1*	29,542	29,907	126·3	128·4	24,116	103·1	104·8	104·7	104·2	122·5	102·7
2	30,408	30,953	130·0	132·8	24,298	103·9	106·1	104·1	104·7	125·2	
3	31,794	31,638	135·9	135·8	24,481	104·6	104·5	104·8	104·6	129·9	104·6
4	32,745	32,331	139·9	138·8	24,969	106·7	105·8	105·2	105·9	131·1	
1978 *1*	33,710	33,626	144·1	144·3	24,718	105·7	105·8	106·0	105·9	136·4	107·3
2	34,794	35,293	148·7	151·5	24,987	106·8	108·8	108·0	107·9	139·2	
3	36,226	36,410	154·8	156·3	25,184	107·6	108·6	108·7	108·3	143·9	109·8
4	36,913	37,071	157·8	159·1	25,300	108·1	109·1	108·7	108·6	145·9	
1979 *1*	36,921	37,657	157·8	161·6	24,853	106·2	108·9	107·9	107·8[4]	148·6	110·9
2	39,980	40,179	170·9	172·5	25,626	109·5	110·6	111·4	111·3[4]	156·0	
3	40,613	41,427	173·6	177·8	24,938	106·6	109·2	109·5	109·4[4]	162·8	111·2
4	41,628	43,495	177·9	186·7	25,059	107·1	112·4	109·8	109·7[4]	166·1	
	Percentage change, period on corresponding period of previous year.										
1977 *1*	*+12·4*	*+16·8*	*+12·4*	*+16·8*	*−0·4*	*−0·4*	*+3·6*	*+3·6*	*+2·3*	*+12·8*	*+0·7*
2	*+13·2*	*+15·9*	*+13·2*	*+15·9*	*+1·6*	*+1·6*	*+3·9*	*+2·4*	*+2·6*	*+11·5*	
3	*+14·0*	*+13·3*	*+14·0*	*+13·3*	*+0·7*	*+0·7*	—	*+2·8*	*+1·1*	*+13·3*	*+1·1*
4	*+12·6*	*+11·0*	*+12·6*	*+11·0*	*+1·7*	*+1·7*	*+0·2*	*+1·1*	*+1·1*	*+10·6*	
1978 *1*	*+14·1*	*+12·4*	*+14·1*	*+12·4*	*+2·5*	*+2·5*	*+1·0*	*+1·3*	*+1·6*	*+11·3*	*+4·5*
2	*+14·4*	*+14·0*	*+14·4*	*+14·0*	*+2·8*	*+2·8*	*+2·5*	*+3·8*	*+3·1*	*+11·2*	
3	*+13·9*	*+15·1*	*+13·9*	*+15·1*	*+2·9*	*+2·9*	*+3·9*	*+3·8*	*+3·5*	*+10·8*	*+5·0*
4	*+12·7*	*+14·7*	*+12·7*	*+14·7*	*+1·3*	*+1·3*	*+3·1*	*+3·3*	*+2·6*	*+11·3*	
1979 *1*	*+ 9·5*	*+12·0*	*+ 9·5*	*+12·0*	*+0·5*	*+0·5*	*+2·9*	*+1·7*	*+1·8*	*+ 8·9*	*+3·9*
2	*+14·9*	*+13·8*	*+14·9*	*+13·8*	*+2·6*	*+2·6*	*+1·7*	*+3·1*	*+3·2*	*+12·1*	
3	*+12·1*	*+13·8*	*+12·1*	*+13·8*	*−1·0*	*−1·0*	*+0·6*	*+0·8*	*+1·0*	*+13·1*	*+1·3*
4	*+12·8*	*+17·3*	*+12·8*	*+17·3*	*−1·0*	*−1·0*	*+3·0*	*+1·1*	*+1·0*	*+13·8*	

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends*, No. 255, January 1975.
[3] Income data deflated by the implied index of total home costs.
[4] Because of doubts about the reliability of the expenditure-based measure of GDP in 1979, these figures have been produced by projecting forward the average estimate in Q4 1978 by the quarterly movements in the output-based measure.


Gross domestic product, average estimate
1975 prices, seasonally adjusted
1975=100
114
112
110
108
106
104
102
100
98
1975
1976
1977
1978
1979
1980


Gross domestic product
1975 prices, seasonally adjusted
1975=100
Expenditure based
Income based
Output based
Average estimate
110
105
100
95
90
85
0
1970
1971
1972
1973
1974
1975
1976
1977
1978
1979

8

Expenditure on the gross domestic product

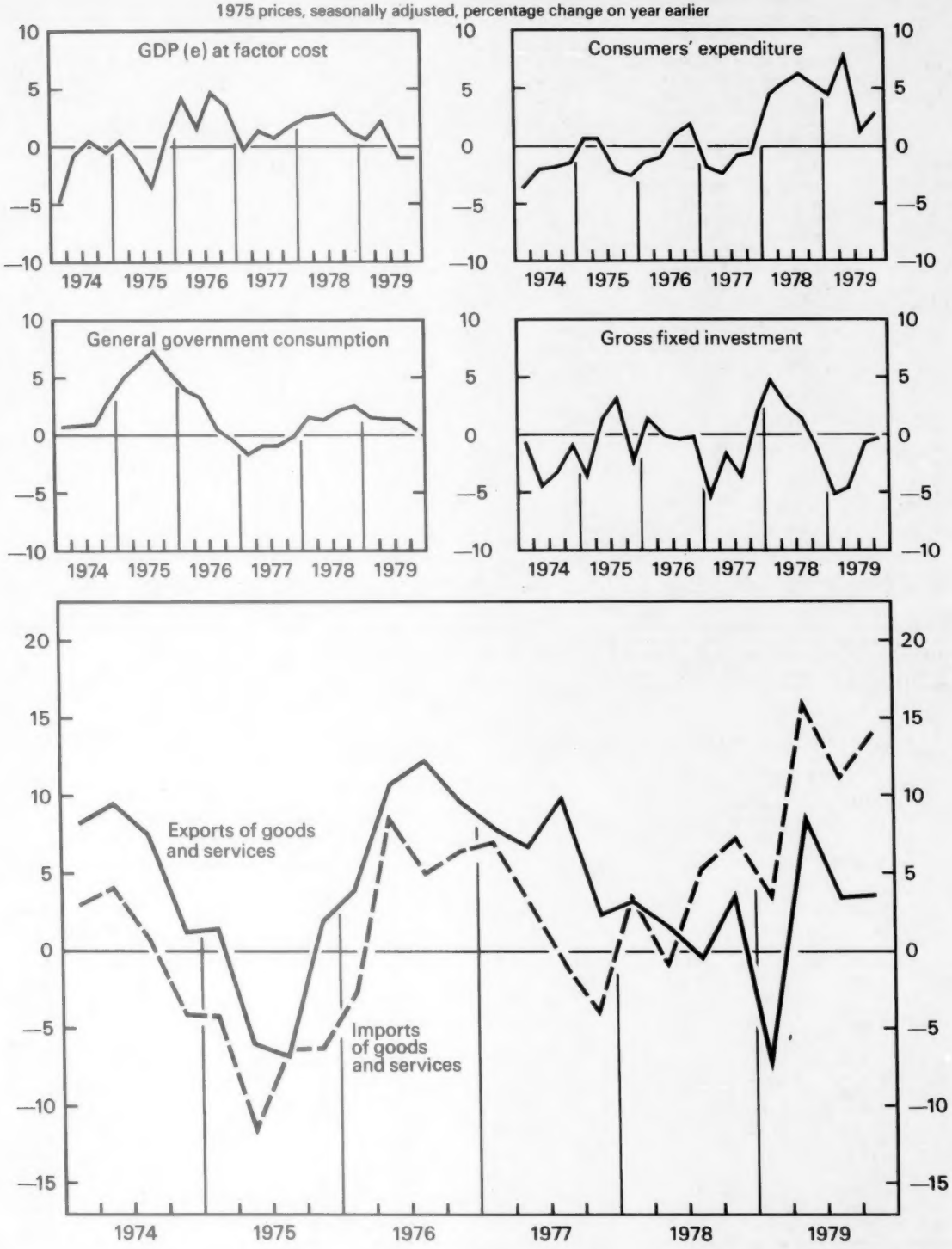
Seasonally adjusted

£ million, 1975 prices

	Gross domestic product at factor cost (expenditure based)[1]	Final expenditure on goods and services at market prices					Exports of goods and services§	Imports of goods and services§	Adjustment to factor cost
		Total[1]	Consumers' expenditure§	General government consumption	Gross fixed investment§	Stock building§			
1969	83,384	115,040	56,169	18,808	18,924	927	20,405	22,745	8,823
1970	85,121	118,326	57,676	19,076	19,425	798	21,513	23,947	9,163
1971	87,167	121,974	59,557	19,642	19,735	188	22,981	25,206	9,510
1972	88,424	126,558	62,999	20,451	19,767	152	23,235	27,714	10,239
1973	95,510	137,360	65,911	21,426	21,111	3,043	25,869	30,936	10,914
1974	94,237	136,112	64,418	21,732	20,636	1,655	27,671	31,242	10,633
1975	93,592	133,033	63,905	23,050	20 545	−1,477	27,010	28,994	10,447
1976	96,971	138,051	64,030	23,477	20,611	457	29,476	30,223	10,857
1977	97,864	139,238	63,198	23,250	20,177	1,193	31,420	30,532	10,842
1978	100,189	143,709	66,680	23,704	20,559	740	32,026	31,653	11,867
1979	100,476	147,899	69,398	23,971	20,006	1,867	32,657	35,142	12,281
1974 *1*	23,028	33,462	16,032	5,371	5,333	— 7	6,733	7,716	2,718
2	23,786	34,321	16,035	5,367	5,086	811	7,022	7,931	2,604
3	23,996	34,525	16,141	5,438	5,042	809	7,095	7,874	2,655
4	23,427	33,804	16,210	5,556	5,175	42	6,821	7,721	2,656
1975 *1*	23,161	33,224	16,167	5,646	5,126	— 560	6,845	7,393	2,670
2	23,582	33,210	16,157	5,703	5,152	— 394	6,592	6,995	2,633
3	23,170	33,118	15,796	5,840	5,213	— 346	6,615	7,370	2,578
4	23,679	33,481	15,785	5,861	5,054	— 177	6,958	7,236	2,566
1976 *1*	24,201	34,070	15,961	5,873	5,206	— 83	7,113	7,204	2,665
2	23,920	34,226	15,990	5,896	5,154	— 121	7,307	7,592	2,714
3	24,303	34,739	15,977	5,866	5,199	270	7,427	7,728	2,708
4	24,547	35,016	16,102	5,842	5,052	391	7,629	7,699	2,770
1977 *1*	24,116	34,535	15,670	5,773	4,923	494	7,675	7,710	2,709
2	24,298	34,745	15,611	5,836	5,088	423	7,787	7,797	2,650
3	24,481	34,866	15,879	5,807	5,006	15	8,159	7,651	2,734
4	24,969	35,092	16,038	5,834	5,160	261	7,799	7,374	2,749
1978 *1*	24,718	35,650	16,403	5,879	5,169	271	7,928	7,975	2,957
2	24,987	35,638	16,467	5,911	5,222	133	7,905	7,712	2,939
3	23,184	36,239	16,883	5,929	5,084	238	8,105	8,055	3,000
4	25,300	36,182	16,927	5,985	5,084	98	8,088	7,911	2,971
1979 *1*	24,853	36,145	17,110	5,968	4,903	853	7,311	8,234	3,058
2	25,626	37,781	17,800	5,996	4,979	408	8,598	8,952	3,203
3	24,938	36,882	17,081	6,012	5,052	360	8,377	8,937	3,007
4	24,059	37,091	17,407	5,995	5,072	246	8,371	9,019	3,013
	Percentage change, quarter on corresponding quarter of previous year.								
1976 *1*	*+4·5*	*+2·5*	*−1·3*	*+4·0*	*+1·6*	..	*+ 3·9*	*− 2·6*	*− 0·2*
2	*+1·4*	*+3·1*	*−1·0*	*+3·4*	*—*	..	*+10·8*	*+ 8·5*	*+ 3·1*
3	*+4·9*	*+4·9*	*+1·1*	*+0·4*	*−0·3*	..	*+12·3*	*+ 4·9*	*+ 5·0*
4	*+3·7*	*+4·6*	*+2·0*	*−0·3*	*—*	..	*+ 9·6*	*+ 6·4*	*+ 8·0*
1977 *1*	*−0·4*	*+1·4*	*−1·8*	*−1·7*	*−5·4*	..	*+ 7·9*	*+ 7·0*	*+ 1·7*
2	*+1·6*	*+1·5*	*−2·4*	*−1·0*	*−1·3*	..	*+ 6·6*	*+ 2·7*	*− 2·4*
3	*+0·7*	*+0·4*	*−0·6*	*−1·0*	*−3·7*	..	*+ 9·9*	*− 1·0*	*+ 1·0*
4	*+1·7*	*+0·2*	*−0·4*	*−0·1*	*+2·1*	..	*+ 2·2*	*− 4·2*	*− 0·8*
1978 *1*	*+2·5*	*+3·2*	*+4·7*	*+1·8*	*+5·0*	..	*+ 3·3*	*+ 3·4*	*+ 9·2*
2	*+2·8*	*+2·6*	*+5·5*	*+1·3*	*+2·6*	..	*+ 1·5*	*− 1·1*	*+10·9*
3	*+2·9*	*+3·9*	*+6·3*	*+2·1*	*+1·6*	..	*− 0·7*	*+ 5·3*	*+ 9·7*
4	*+1·3*	*+3·1*	*+5·5*	*+2·6*	*−1·5*	..	*+ 3·7*	*+ 7·3*	*+ 8·1*
1979 *1*	*+0·5*	*+1·4*	*+4·3*	*+1·5*	*−5·1*	..	*− 7·8*	*+ 3·2*	*+ 3·4*
2	*+2·6*	*+6·0*	*+8·1*	*+1·4*	*−4·7*	..	*+ 8·8*	*+16·1*	*+ 9·0*
3	*−1·0*	*+1·8*	*+1·2*	*+1·4*	*−0·6*	..	*+ 3·4*	*+11·0*	*+ 0·2*
4	*−1·0*	*+2·5*	*+2·8*	*+0·2*	*−0·2*	..	*+ 3·5*	*+14·0*	*+ 1·4*

[1] For years up to and including 1972, totals differ from the sum of the components due to the method used to rebase on 1975 prices.

1975 prices, seasonally adjusted, percentage change on year earlier



Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1975 prices		
	Personal income before tax		Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3]	Real personal disposable income[4]		Real consumers' expenditure §
	Total[1]	*of which:* Wages and salaries				£ million §	1975=100	£ million
1971	47,829	29,676	38,507	35,509	7·8	64,585	86·9	59,557
1972	54,218	33,136	44,205	40,014	9·5	69,597	93·7	62,999
1973	63,007	38,041	51,123	45,472	11·1	74,102	99·7	65,911
1974	76,080†	46,000	60,610	52,088	14·1†	74,957†	100·9	64,418
1975	96,362	58,972	74,294	63,905	14·0	74,294	100·0	63,905
1976	111,424	66,586	85,459	73,966	13·4	73,979	99·6	64,030
1977	124,735	73,622	96,854	84,010	13·3	72,860	98·1	63,198
1978	142,195	83,587	112,247	96,308	14·2	77,716	104·6	66,680
1979	166,797	97,234	133,285	112,245	15·8	82,406	110·9	69,398
1975 *1*	22,506	13,972	17,591	14,810	15·8	19,192	103·3	16,167
2	23,572	14,351	18,281	15,893	13·1	18,574	100·0	16,157
3	24,811	15,158	18,970	16,323	14·0	18,347	98·8	15,796
4	25,473	15,491	19,452	16,879	13·2	18,181	97·9	15,785
1976 *1*	26,553	15,867	20,370	17,560	13·8	18,510	99·7	15,961
2	27,372	16,417	20,831	18,065	13·3	18,433	99·2	15,990
3	28,386	16,962	22,012	18,690	15·1	18,812	101·3	15,977
4	29,113	17,340	22,246	19,651	11·6	18,224	98·1	16,102
1977 *1*	30,199	17,896	23,169	19,922	14·0	18,223	98·1	15,670
2	30,634	18,160	23,549	20,597	12·5	17,848	96·1	15,611
3	31,403	18,523	24,482	21,505	12·2	18,076	97·3	15,879
4	32,499	19,043	25,654	21,986	14·3	18,713	100·8	16,038
1978 *1*	33,562	19,818	26,137	22,952	12·2	18,684	100·6	16,403
2	35,292	20,683	27,666	23,558	14·8	19,343	104·1	16,467
3	36,080	21,289	28,840	24,659	14·5	19,751	106·3	16,883
4	37,261	21,797	29,604	25,139	15·1	19,938	107·4	16,927
1979 *1*	38,602	22,720	30,651	25,991	15·2	20,195	108·8	17,110
2	40,619	23,642	32,140	27,948	13·0	20,487	110·3	17,800
3	42,556	24,881	33,951	28,505	16·0	20,361	109·6	17,081
4	45,020	25,991	36,543	29,801	18·5	21,363	115·0	17,407

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1975=100).

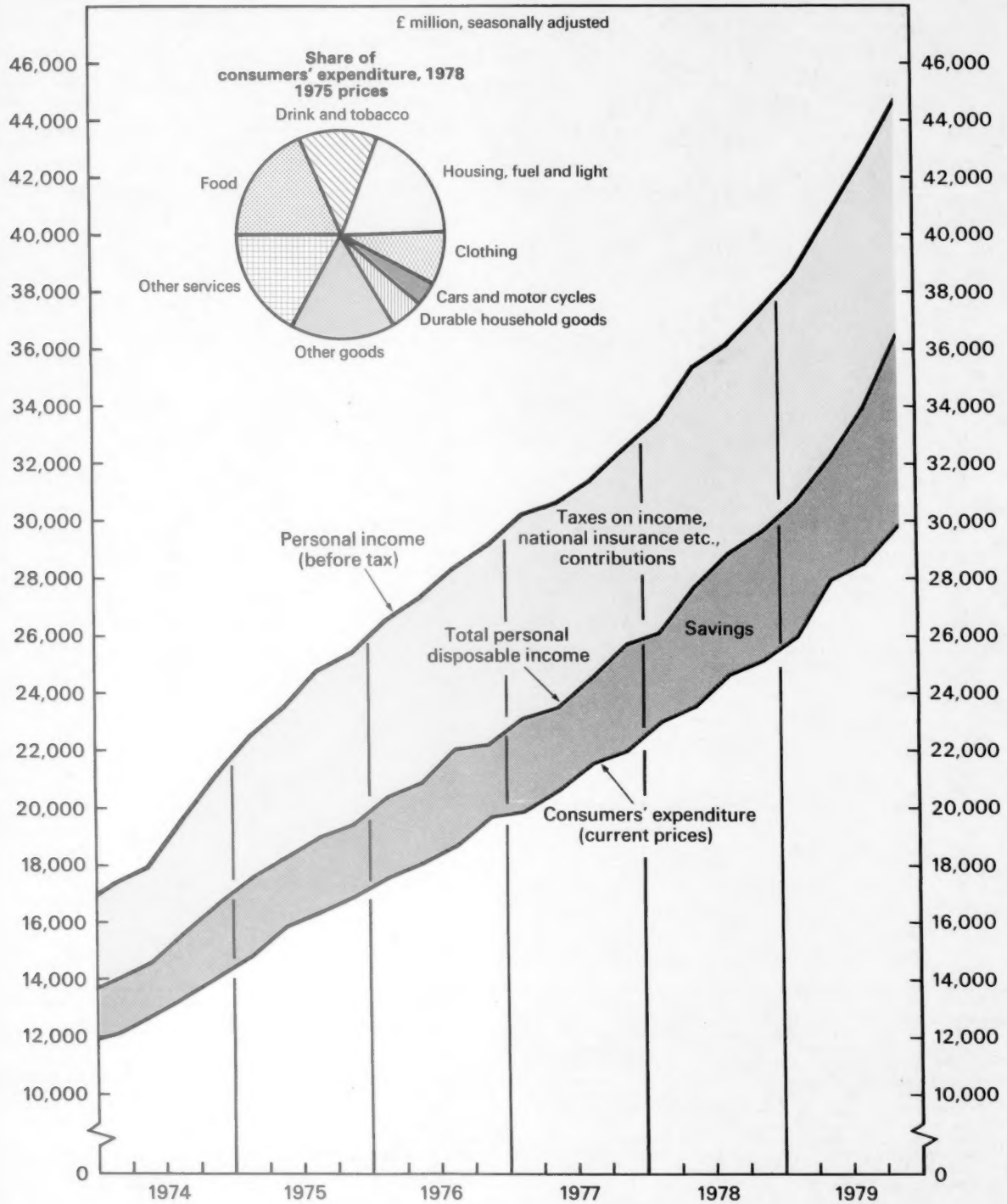
Real consumers' expenditure — component categories

Seasonally adjusted

£ million, 1975 prices

	Total[1] §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1971	59,557	12,117	6,520	8,714	2,752	4,715	2,429	2,345	9,032	11,203
1972	62,999	12,025	6,961	8,917	2,854	4,964	2,986	2,811	9,869	11,747
1973	65,911	12,210	7,694	9,181	2,930	5,183	3,396	2,668	10,658	11,991
1974	64,418	12,099	7,777	9,081	2,984	5,109	3,236	1,820	10,735	11,577
1975	63,905	12,072	7,604	9,286	2,914	5,173	3,198	1,810	10,520	11,328
1976	64,030	12,189	7,664	9,256	2,887	5,197	3,379	2,012	10,588	10,858
1977	63,198	12,049	7,460	9,400	2,962	5,102	3,151	1,854	10,536	10,684
1978	66,680	12,312	8,070	9,611	3,014	5,463	3,430	2,465	10,990	11,325
1979	69,398	12,526	8,296	9,997	3,179	5,668	3,610	2,650	11,202	12,270
1977 *1*	15,670	2,954	1,823	2,330	731	1,282	785	463	2,642	2,660
2	15,611	3,055	1,846	2,303	763	1,245	768	433	2,562	2,636
3	15,879	2,963	1,883	2,379	749	1,285	792	484	2,655	2,689
4	16,038	3,077	1,908	2,388	719	1,290	806	474	2,677	2,699
1978 *1*	16,403	3,045	2,010	2,386	745	1,312	834	582	2,689	2,800
2	16,467	3,052	1,990	2,355	759	1,336	851	596	2,717	2,811
3	16,883	3,130	2,025	2,424	771	1,403	875	644	2,791	2,820
4	16,927	3,085	2,045	2,446	739	1,412	870	643	2,793	2,894
1979 *1*	17,110	3,044	2,105	2,474	855	1,369	883	615	2,776	2,989
2	17,800	3,156	2,151	2,473	793	1,460	1,017	838	2,848	3,064
3	17,081	3,212	1,980	2,509	779	1,384	839	563	2,775	3,040
4	17,407	3,114	2,060	2,541	752	1,455	871	634	2,803	3,177

[1] For the years prior to 1973 the total differs from the sum of components due to the method of rebasing to 1975 prices.


£ million, seasonally adjusted
Share of consumers' expenditure, 1978 1975 prices
Drink and tobacco
Housing, fuel and light
Clothing
Cars and motor cycles
Durable household goods
Other goods
Other services
Food
Personal income (before tax)
Taxes on income, national insurance etc., contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
46,000
44,000
42,000
40,000
38,000
36,000
34,000
32,000
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
0
1974
1975
1976
1977
1978
1979

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted									
	Weekly average 1976 = 100							Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]							Hire purchase and other credit[3]	
	Total[4]	Total[4]	Food retailers[4]	Mixed retail businesses[4]	Clothing and footwear retailers	Household goods retailers	Other non-food retailers	New registrations of cars[5]	New credit extended	Implied change in debt outstanding
Sales in 1976 £ million	33,616	33,616	11,369	9,045	3,384	4,745	5,093			
1969	..	..	..	..	..	..	..	82·3	1,584	− 11
1970	..	..	..	..	..	..	..	91·4	1,767	+ 92
1971	49·7	94·0	116·4	73·3	101	79	90	108·5	2,036	+251
1972	55·7	98·7	115·6	81·5	105	89	96	138·6	2,466	+438
1973	63·2	103·1	112·0	90·2	106	101	105	137·1	2,846	+444
1974	73·2	101·9	110·0	91·6	103	99	104	102·8	2,508	−164
1975	87·1	100·1	104·2	95·7	101	97	101	97·2	2,981	− 13
1976	100·0	100·0	100·0	100·0	100	100	100	104·7	3,586	+343
1977	113·2	97·5	97·1	100·8	98	94	95	107·1	4,392	+625
1978	127·3	100·9	98·4	107·8	103	101	93	130·1	6,021	+1,206
1979	143·8	102·0	98·3	113·5	106	103	87	139·7	7,281	+1,224
1975 *3*	87·9	97·5	102·2	93·9	101	90	98	102·0	749	− 9
4	90·7	98·2	102·4	96·4	98	91	98	89·9	770	− 7
1976 *1*	94·8	99·5	101·1	98·9	99	97	100	100·7	833	+ 37
2	98·2	100·5	100·7	100·3	101	100	101	107·1	872	+ 79
3	101·1	100·3	100·1	100·3	100	101	100	95·5	913	+100
4	105·9	99·7	98·0	100·4	100	102	100	115·3	968	+127
1977 *1*	108·3	97·3	96·8	99·1	98	95	97	100·5	1,007	+144
2	110·3	96·1	96·7	98·5	94	93	94	99·0	1,100	+203
3	115·5	97·9	97·0	102·5	98	94	95	115·3	1,219	+262
4	118·9	98·6	97·8	102·8	101	95	95	113·6	1,292	+254
1978 *1*	121·5	99·6	98·9	104·6	101	98	93	126·9	1,372	+355
2	125·3	100·2	98·3	106·2	100	100	93	126·2	1,506	+375
3	130·2	102·2	98·1	110·5	105	104	93	139·3	1,559	+266
4	132·3	101·7	98·2	110·2	105	102	92	128·1	1,584	+210
1979 *1*	134·0	100·7	98·7	109·5	104	100	88	131·7	1,581	+220
2	144·8	106·2	99·9	118·3	109	113	91	171·8	1,867	+405
3	144·6	99·5	96·7	111·2	102	98	85	114·8	1,879	+324
4	151·9	101·7	97·9	114·9	108	100	84	140·3	1,954	+275
1979 *J*	131·2	99·3	101·5	106·6	98	96	86	127·5	523	+ 69
F	134·1	100·9	96·5	109·8	106	103	90	121·4	531	+ 92
M	136·2	101·6	98·3	111·4	108	102	87	146·1	527	+ 59
A	142·6	106·1	100·1	120·7	112	103	92	151·8	566	+ 74
M	139·6	102·6	98·8	113·3	103	106	89	160·7	621	+132
J	150·8	109·3	100·6	120·4	111	125	93	202·9	680	+199
J	141·4	98·5	96·9	110·2	98	96	84	96·0	629	+113
A	146·5	100·8	96·1	113·7	108	98	86	124·4	634	+102
S	145·5	99·4	96·9	110·1	102	99	85	124·1	616	+109
O	149·1	100·8	97·6	113·3	106	98	84	138·0	663	+ 97
N	153·2	102·5	97·8	115·1	112	103	85	145·8	698	+144
D	153·1	101·7	98·3	116·0	106	99	83	137·2	593	+ 34
1980 *J*	155·3†	103·0†	98·2†	117·3	110	102	84	127·1	668†	+ 74†
F	158·7	104·1	100·2	116·9	110	103	87	131·6	667	+156
M										

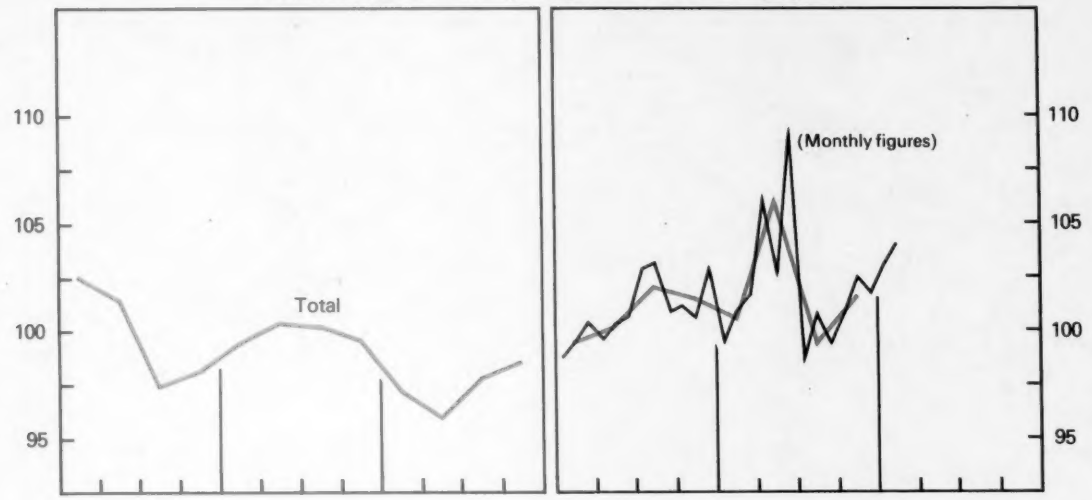
[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1980 is exceptionally a five-week period.

[3] Credit extended by and repaid to finance houses, other specialist consumer credit grantors and retailers, i.e. durable goods shops, department stores (including co-operative societies), other general stores and general mail order houses. There is a break in the series between the first and second quarters of 1977 due to a change in coverage. Up to the first quarter of 1977 the series excludes 'other consumer credit grantors' but includes charges for credit. From the second quarter of 1977 charges for credit are excluded but 'other specialist consumer credit grantors' are included. For further details see *Trade and Industry*, 12 April 1979. The retail sales statistics are now rebased on the results of the 1976 Retailing Inquiry. Owing to the volume of work involved in rebasing the retail sales and credit series, the retailers' credit statistics will have to continue to be based on the results of the 1971 Census of Distribution for some further months. Until the credit statistics have been rebased on the results of the 1976 Retailing Inquiry, direct comparisons between the published retail sales and retailers' credit statistics should not be made.

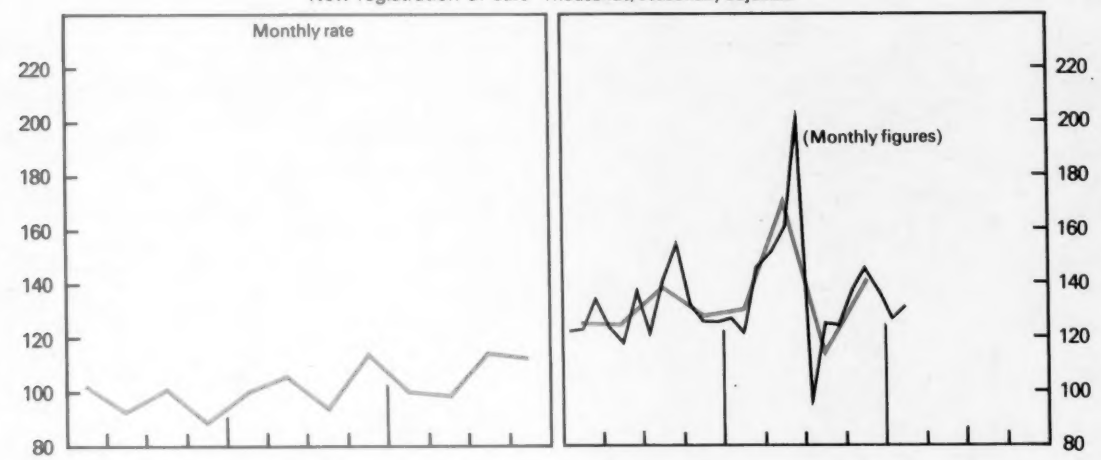
[4] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.

[5] These series have been rebased on the 1976 retailing inquiry. Further details are given on page 336 of *British business*, 29 February 1980 and page 437 of the 14 March 1980 issue.

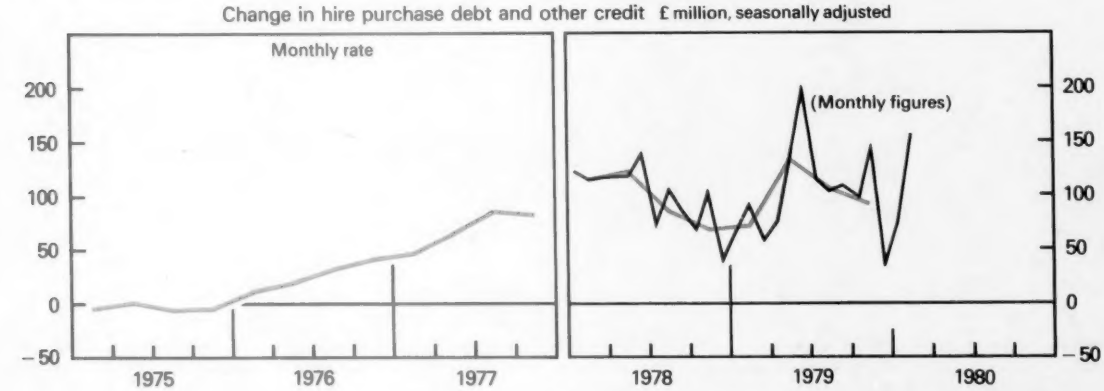
Volume of retail sales Weekly average 1971 = 100, seasonally adjusted



New registration of cars Thousands, seasonally adjusted



Change in hire purchase debt and other credit £ million, seasonally adjusted



Shares of income and expenditure

Seasonally adjusted

	£ million	Per cent						£ million	Per cent		
		Percentage share of total final expenditure							Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	General government consumption	Gross fixed investment: General government	Gross fixed investment: Public corporations	Gross fixed investment: Private sector	Exports	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1], [2]
1970	62,144	51·1	14·4	3·9	2·7	8·6	18·6	44,937†	67·6†	13·4†	18·9
1971	69,392	51·2	14·7	3·7	2·7	8·8	18·7	50,041	66·9	13·8	19·3
1972	76,986	52·0	15·1	3·5	2·3	9·2	17·7	56,783	66·3	14·0	19·7
1973	91,633	49·6	14·5	4·0	2·3	9·2	18·7	67,274	64·5	14·9	20·6
1974	109,793	47·5	15·0	4·0	2·6	8·8	20·9	79,848	66·0	13·4	20·6
1975	133,033	48·0	17·3	3·7	3·0	8·7	20·3	98,722	69·1	11·3	19·6
1976	160,090†	46·2	16·7	3·4	2·9	8·5	21·9	115,812	67·4	12·3	20·3
1977	184,001	45·6	15·8	2·6	2·6	8·9	23·5	129,789	66·2	13·2	20·5
1978	206,801	46·6	15·9	2·2	2·4	9·6†	22·9	146,604	66·4	13·0	20·5
1979	239,876	46·8	15·7	2·2†	2·3	9·2	22·5	171,485	66·2	14·1	19·7
1977 *1*	43,787	45·5	15·9	2·9	2·6	8·3	23·3	31,825	65·6	14·0	20·4
2	45,520	45·2	16·0	2·6	2·6	8·8	23·5	32,093	66·1	13·5	20·4
3	46,972	45·8	15·8	2·5	2·6	9·0	24·2	32,763	66·1	13·0	20·9
4	47,722	46·1	15·7	2·4	2·5	9·4	23·1	33,108	67·2	12·4	20·4
1978 *1*	49,400	46·5†	15·9	2·3	2·3	9·6	22·9	34,436	66·9	12·4	20·7
2	50,806	46·4	15·9	2·2	2·5	9·7†	23·0	36,435	66·2	13·4	20·4
3	52,873	46·6	15·7	2·2	2·3	9·5	22·9	37,396	66·3	13·1	20·6
4	53,722	46·8	16·0	2·0	2·4	9·6	22·8	38,337	66·3	13·3	20·4
1979 *1*	54,854	47·4	15·9	2·2	2·4	9·2	20·9	39,719	66·5	13·0	20·5
2	59,788	46·7	15·2	2·0	2·2	9·2	23·3	42,347	65·3	15·2	19·5
3	61,450	46·4	15·9	2·3	2·3†	9·0	23·0	43,816	66·4	14·2	19·4
4	63,784	46·7	15·7	2·2	2·2	9·4	23·0†	45,603	66·5	14·1	19·4

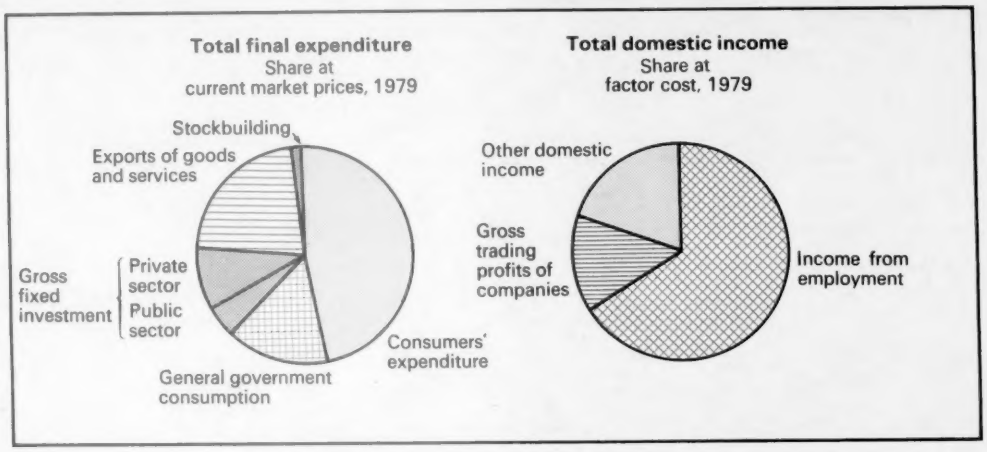
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises, income from rent and self-employment, and imputed charge for consumption of non-trading capital.

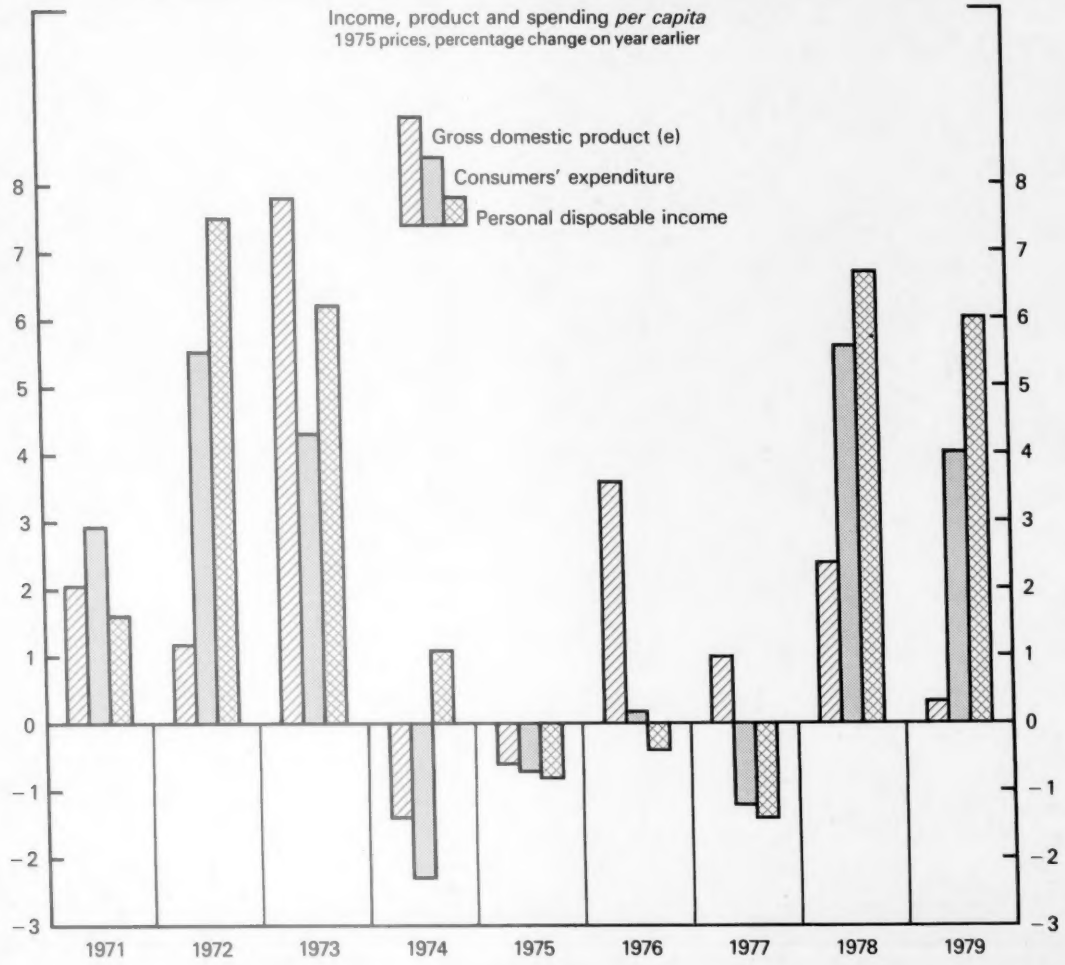
Income, product and spending *per capita*

Seasonally adjusted

	£, current prices				£, 1975 prices		
	Gross national product[1]	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1], [2]	Consumers' expenditure	Personal disposable income
1970	793	783	572	628	1,533	1,039	1,141
1971	895	886	637	691	1,565	1,069	1,159
1972	996	986	716	791	1,583	1,128	1,246
1973	1,164	1,142	812	913	1,706	1,177	1,323
1974	1,346	1,320	930	1,086	1,682	1,150	1,338†
1975	1,685	1,672	1,142	1,327	1,672	1,142	1,327
1976	1,991	1,968†	1,322	1,527	1,733	1,144	1,322
1977	2,230†	2,226	1,502	1,732	1,750†	1,130	1,303
1978	2,553	2,534	1,723	2,008	1,792	1,193	1,390
1979	2,851	2,847	2,008	2,384	1,797	1,241	1,474
1976 *1*	474†	470†	314	364	433	285	331
2	486	480	323	372	427	286	329
3	505	498	334	393	434	285	336
4	526	520	351	398	439	288	326
1977 *1*	530	528	356	414	431	280	326
2	544	544	368	421	434	279	319
3	569	568	385	438	438	284	323
4	587	586	393	459	447	287	335
1978 *1*	606	603	411	467	442	293	334
2	628	623	421	495	447	295	346
3	654	648	441	516	450	302	353
4	665	660	450	530	453	303	357
1979 *1*	664	660	465	548	445	306	361
2	716	715	500	575	458	318	367
3	728	727	510	607	446	306	364
4	743	745	533	654	448	311	382

[1] At factor cost. [2] Based on expenditure data.


Total final expenditure
Share at
current market prices, 1979
Stockbuilding
Exports of goods
and services
Gross
fixed
investment
Private
sector
Public
sector
Consumers'
expenditure
General government
consumption
Total domestic income
Share at
factor cost, 1979
Other domestic
income
Gross
trading
profits of
companies
Income from
employment


Income, product and spending *per capita*
1975 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
8
7
6
5
4
3
2
1
0
−1
−2
−3
1971
1972
1973
1974
1975
1976
1977
1978
1979

Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

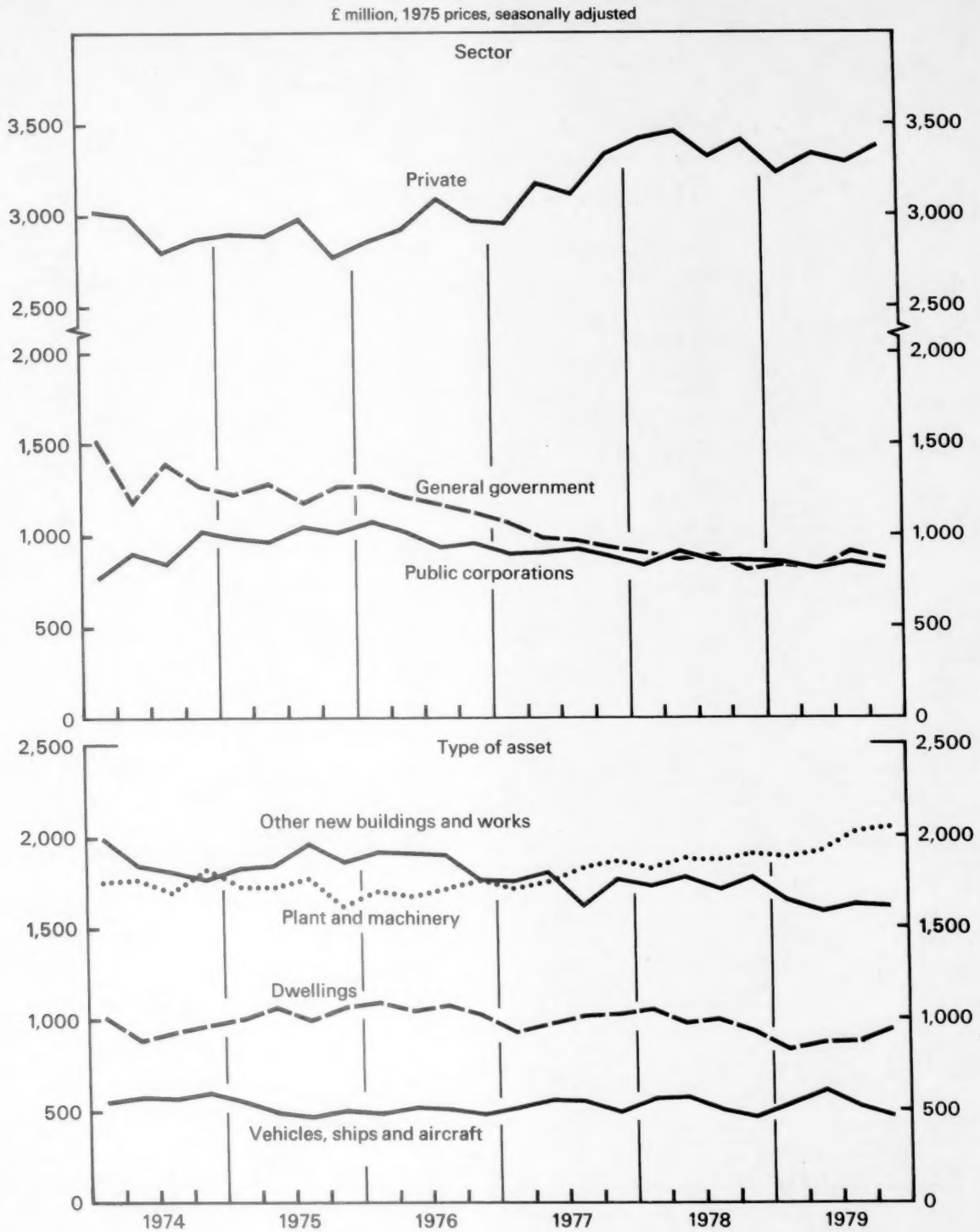
£ million, 1975 prices[1]

	Total §	Sector[2]			Type of asset					
					Dwellings					
						of which:		Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery
		Private sector	General government	Public corporations	Total	Private	Public			
1968	18,852	9,815	5,446	3,604	4,379	2,341	2,134	7,243	1,722	5,894
1969	18,924	10,428	5,352	3,156	4,187	2,187	2,087	7,339	1,692	6,074
1970	19,425	10,704	5,444	3,281	3,850	2,047	1,879	7,661	1,816	6,384
1971	19,735	11,150	5,265	3,299	4,091	2,440	1,733	7,795	1,879	6,282
1972	19,767	11,782	5,045	2,904	4,309	2,745	1,609	7,687	2,145	6,023
1973	21,111	12,226	5,757	3,128	4,152	2,449	1,703	7,793	2,412	6,754
1974	20,636	11,715	5,365	3,556	3,826	2,004	1,822	7,424	2,326	7,060
1975	20,545	11,545	4,974	4,026	4,146	2,182	1,964	7,513	2,023	6,863
1976	20,611†	11,822†	4,795	3,994†	4,260	2,177	2,083	7,479†	2,011	6,861†
1977	20,177	12,580	3,970	3,627	3,961†	2,029†	1,932	6,930	2,136†	7,150
1978	20,559	13,641	3,470†	3,448	3,950	2,310	1,640†	6,989	2,114	7,506
1979	20,006	13,265	3,422	3,319	3,516	1,960	1,556	6,476	2,131	7,883
1974 *1*	5,333	3,034	1,524	775	1,020	564	456	1,998	558	1,757
2	5,086	3,007	1,170	909	890	487	403	1,849	583	1,764
3	5,042	2,797	1,401	844	941	440	501	1,812	577	1,712
4	5,175	2,877	1,270	1,028	975	513	462	1,765	608	1,827
1975 *1*	5,126	2,902	1,231	993	1,005	534	471	1,834	552	1,735
2	5,152	2,891	1,296	965	1,074	565	509	1,848	495	1,735
3	5,213	2,985	1,176	1,052	994	545	449	1,973	472	1,774
4	5,054	2,767	1,271	1,016	1,073	538	535	1,858	504	1,619
1976 *1*	5,206†	2,850†	1,277	1,079	1,097†	558†	539	1,916	491	1,702†
2	5,154	2,922	1,215	1,017	1,045	531	514	1,912†	519	1,678
3	5,199	3,086	1,172	941	1,079	566	513	1,889	515	1,716
4	5,052	2,964	1,131	957†	1,039	522	517	1,762	486	1,765
1977 *1*	4,923	2,949	1,072	902	939	430	509	1,749	517†	1,718
2	5,088	3,185	990	913	982	507	475	1,802	562	1,742
3	5,006	3,103	973	930	1,016	537	479	1,608	556	1,826
4	5,160	3,343	935	882	1,024	555	469	1,771	501	1,864
1978 *1*	5,169	3,431	905	833	1,051	611	440†	1,722	567	1,829
2	5,222	3,461	859†	902	974	588	386	1,783	576	1,889
3	5,084	3,329	898	857	992	551	441	1,707	505	1,880
4	5,084	3,420	808	856	933	560	373	1,777	466	1,908
1979 *1*	4,903	3,233	831	839	837	453	384	1,647	528	1,891
2	4,979	3,349	815	815	865	491	374	1,582	615	1,917
3	5,052	3,292	910	850	869	462	407	1,636	521	2,026
4	5,072	3,391	866	815	945	554	391	1,611	467	2,049

Percentage change, quarter on corresponding quarter of previous year

1976 *1*	+ 1·6	− 1·8	+ 3·7	+ 8·7	+ 9·2	+ 4·5	+14·4	+ 4·5	−11·1	− 1·9
2	—	+ 1·1	− 6·3	+ 5·4	− 2·7	− 6·0	+ 1·0	+ 3·5	+ 4·8	− 3·3
3	− 0·3	+ 3·4	− 0·3	−10·6	+ 8·6	+ 3·9	+14·3	− 4·3	+ 9·1	− 3·3
4	—	+ 7·1	−11·0	− 5·8	− 3·2	− 3·0	− 3·4	− 5·2	− 3·6	+ 9·0
1977 *1*	− 5·4	+ 3·5	−16·1	−16·4	−14·4	−22·9	− 5·6	− 8·7	+ 5·3	+ 0·9
2	− 1·3	+ 9·0	−18·5	−10·2	− 6·0	− 4·5	− 7·6	− 5·8	+ 8·3	+ 3·8
3	− 3·7	+ 0·6	−17·0	− 1·2	− 5·8	− 5·1	− 6·6	−14·9	+ 8·0	+ 6·4
4	+ 2·1	+12·8	−17·3	− 7·8	− 1·4	+ 6·3	− 9·3	+ 0·5	+ 3·1	+ 5·6
1978 *1*	+ 5·0	+16·3	−15·6	− 7·6	+11·9	+42·1	−13·6	− 1·5	+ 9·7	+ 6·5
2	+ 2·6	+ 8·7	−13·2	− 1·2	− 0·8	+16·0	−18·7	− 1·1	+ 2·5	+ 8·4
3	+ 1·6	+ 7·3	− 7·7	− 7·8	− 2·4	+ 2·6	− 7·9	+ 6·2	− 9·2	+ 3·0
4	− 1·5	+ 2·3	−13·6	− 2·9	− 8·9	+ 0·9	−20·5	+ 0·3	− 7·0	+ 2·4
1979 *1*	− 5·1	− 5·8	− 8·2	+ 0·7	−20·4	−25·9	−12·7	− 4·4	− 6·9	+ 3·4
2	− 4·7	− 3·2	− 5·1	− 9·6	−11·2	−16·5	− 3·1	−11·3	+ 6·8	+ 1·5
3	− 0·6	− 1·1	+ 1·3	− 0·8	−12·4	−16·2	− 7·7	− 4·2	+ 3·2	+ 7·8
4	− 0·2	− 0·8	+ 7·2	− 4·8	+ 1·3	− 1·1	+ 4·8	− 9·3	+ 0·2	+ 7·4

[1] For the years prior to 1973, totals may not equal the sum of their components, due to the method used in rebasing to 1975 prices.
[2] Including purchases *less* sales of land and existing buildings. [3] Including transfer costs of land and buildings.


£ million, 1975 prices, seasonally adjusted
Sector
Private
General government
Public corporations
Type of asset
Other new buildings and works
Plant and machinery
Dwellings
Vehicles, ships and aircraft
3,500
3,000
2,500
2,000
1,500
1,000
500
0
1974
1975
1976
1977
1978
1979

Indicators of fixed investment by manufacturing industry

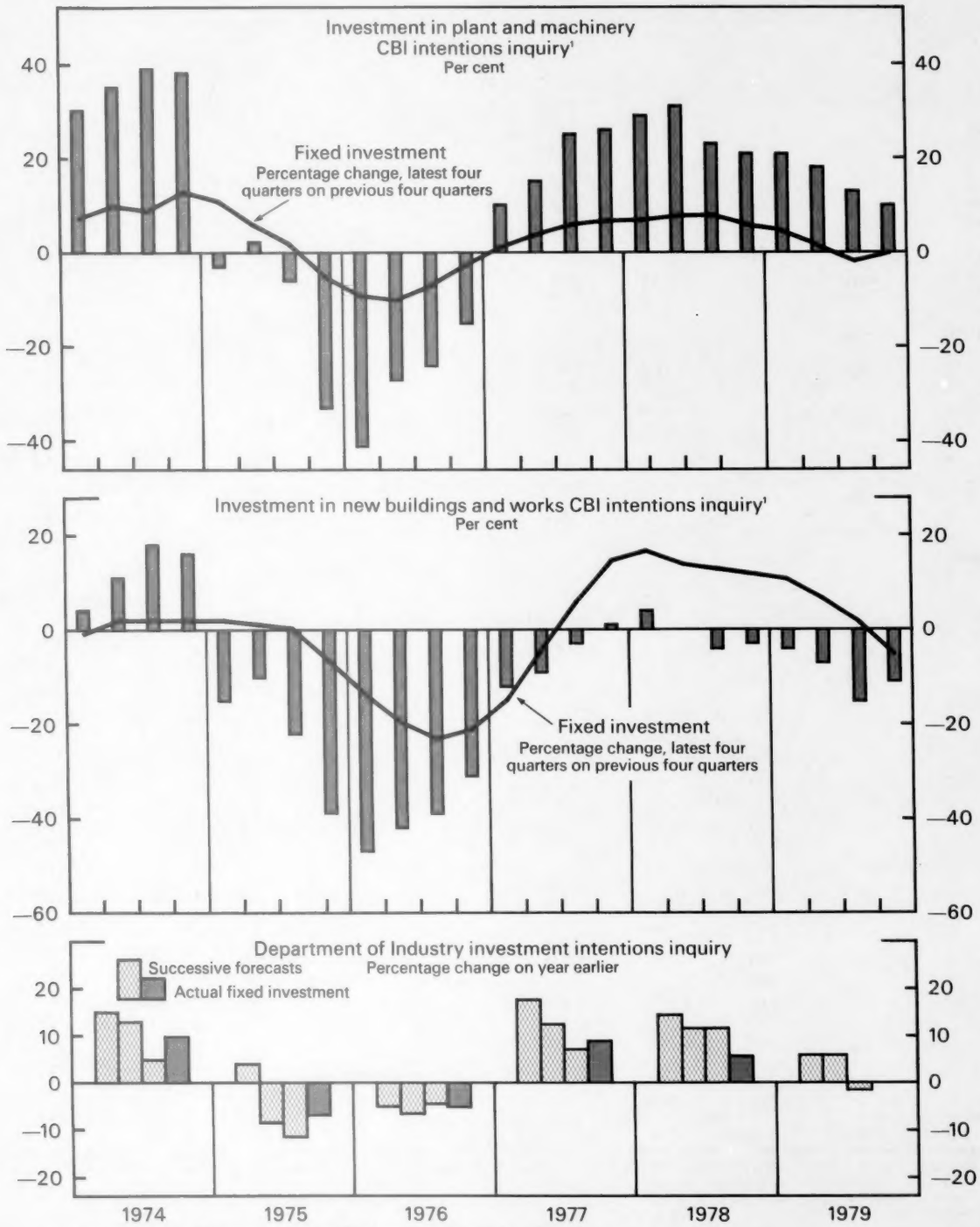
	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)
	Total§	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1975 prices, seasonally adjusted	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[1]	£ million, 1975 prices, seasonally adjusted
1969	3,877·0	2,679·5	+ *4*	..	973·6	*+16*	..	1,507
1970	4,177·0	2,974·2	*+11*	..	980·8	+ *1*	..	1,410
1971	3,897·7	2,795·3	− *6*	..	880·4	*−10*	..	1,012
1972	3,370·4	2,420·4	*−13*	..	710·6	*−19*	..	1,003
1973	3,439·8	2,505·3	+ *4*	..	674·4	− *5*	..	1,287
1974	3,781·8	2,821·3	*+13*	..	686·9	+ *2*	..	1,076
1975	3,521·9	2,682·1	− *5*	..	639·9	− *7*	..	684
1976	3,341·3	2,598·0	− *3*	..	503·8	*−21*	..	797
1977	3,637·0	2,771·2	+ *7*	..	581·8	*+15*	..	958
1978	3,852·6	2,936·3	+ *6*	..	651·5	*+12*	..	1,001
1979	3,840·8	2,943·9	—	..	614·1†	− *6*†	..	1,029[2]†
1975 *1*	946·0	715·2	+ *3*	−41	176·6	+ *3*	−47	209
2	902·3	687·7	− *2*	−27	167·2	− *1*	−42	164
3	846·8	643·5	− *8*	−24	155·7	− *8*	−39	183
4	826·8	635·7	*−12*	−15	140·4	*−20*	−31	128
1976 *1*	819·2	631·4	*−12*	10	134·0	*−24*	−12	180
2	827·6	644·4	− *6*	15	122·9	*−26*	− 9	194
3	844·4	658·1	+ *2*	25	124·6	*−20*	− 3	193
4	850·1	664·1	+ *4*	26	122·3	*−13*	1	229
1977 *1*	876·4	667·1	+ *6*	29	139·9	+ *4*	4	213
2	898·3	680·2	+ *6*	31	144·2	*+17*	—	259
3	918·8	702·7	+ *7*	23	147·6	*+18*	− 4	242
4	943·5	721·2	+ *9*	21	150·1	*+23*	− 3	244
1978 *1*	945·7	723·3	+ *8*	21	152·2	+ *9*	− 4	269
2	969·8	745·5	*+10*	18	155·8	+ *8*	− 7	261
3	965·7	728·5	+ *4*	13	169·0	*+14*	−15	257
4	971·4	739·0	+ *2*	10	174·5	*+16*	−11	215
1979 *1*	972·9†	747·9†	+ *3*	12	160·4†	+ *5*†	− 7	231
2	947·6	728·4	− *2*	12	145·8	− *6*	− 6	276
3	978·1	750·5	+ *3*	8	156·6	− *7*	− 9	244
4	942·2	717·1	− *3*†	− 9	151·3	*−13*	−20	277[2]†
1980 *1*				−18			−30	
2								

[1] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
[2] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·7
1972	little change, perhaps a rise	about −3	−7	−13·5
1973	+2 to +5	+2 to +5	+6	+ 2·1
1974	strong increase about +15	some +12 to +14	about +5	+ 9·9
1975	less than +5	−7 to −10	about −11 or −12	− 6·9
1976	of the order of −5	−5 to −8	−4 to −5	− 5·1
1977	between +15 and +20	+10 to +15	+7	+ 8·8
1978	between +12 and +17	+10 to +13	+10 to +13	+ 5·9
1979	+4 to +8	+4 to +8	no change to −3	
1980	fall up to −7	−6 to −10		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition, the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these inquiries are not included in the table.) An article, 'Investment intentions survey: a 10 year review', was published in *Trade and Industry* for 27 October 1978. In this article the table is expanded to include all the inquiries for manufacturing industry, and a similar table is included for the inquiries into the distributive and service industries.

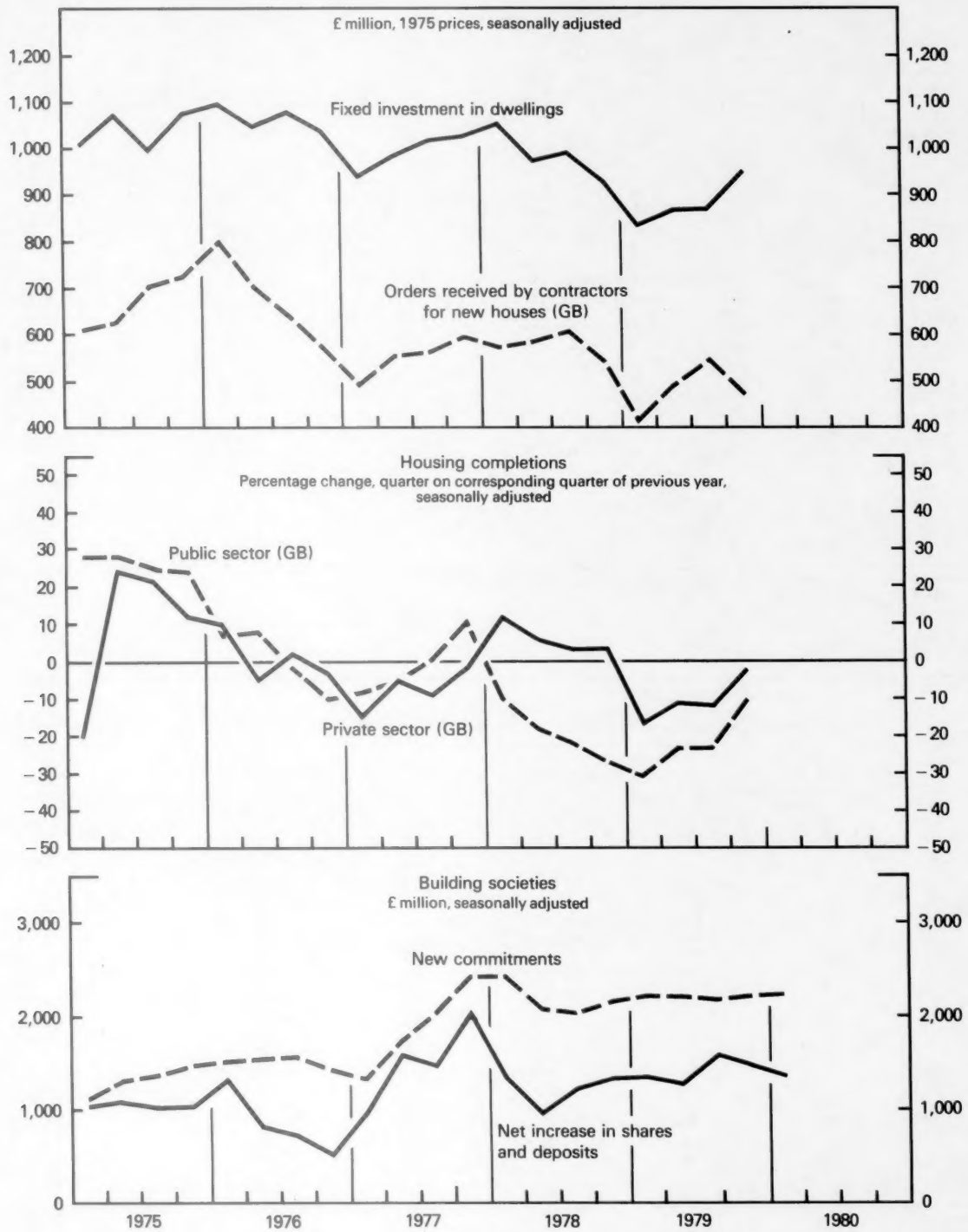


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment.

Indicators of fixed investment in dwellings

		Seasonally adjusted								Unadjusted
		£ million, 1975 prices		Thousands				£ million		1975 =100
		Fixed investment in dwellings	Orders received by contractors for new houses (GB)	Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		Average price of new dwellings: mortgages approved[1]
				Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	
1969		4,187	3,064	166·8	176·6	181·7	185·1	1,580	895	39·3
1970		3,850	3,093	165·1	153·8	170·3	180·1	2,188	1,490	41·8
1971		4,091	3,147	207·4	136·9	191·6	158·9	3,013	2,034	48·1
1972		4,309	3,507	228·0	123·0	196·5	122·8	3,802	2,193	63·3
1973		4,152	3,320	215·7	112·8	186·6	107·5	3,254	2,162	86·2
1974		3,826	2,224	105·9	146·1	140·9	128·6	3,115	1,993	91·4
1975		4,146	2,663	149·1	173·8	150·8	162·3	5,302	4,172	100·0[2]
1976		4,260	2,712	154·7	170·8	152·2	163·0	6,089	3,405	108·4
1977		3,961†	2,214	134·8	132·1	140·3	162·5	7,524	6,099	119·0
1978		3,950	2,311	157·3	107·4	148·6	130·7	8,710	4,822	142·6
1979		3,516	1,927[3]	140·1	80·1	132·9	102·0	8,872	5,564	183·2
1975	*1*	1,005	610	33·1	41·4	35·8	37·8	1,119	1,054	95·3
	2	1,074	625	37·4	37·8	39·6	39·3	1,311	1,085	100·0
	3	994	702	38·0	43·9	37·6	42·5	1,373	1,012	102·1
	4	1,073	726	40·6	50·7	37·8	42·7	1,499	1,021	102·7
1976	*1*	1,097†	801	42·0	49·8	39·4	40·6	1,537	1,341	104·3
	2	1,045	700	42·0	44·3	37·8	42·4	1,552	824	107·9
	3	1,079	640	39·3	44·3	38·3	41·5	1,581	727	110·3
	4	1,039	572	31·4	32·4	36·7	38·5	1,419	513	111·5
1977	*1*	939	494	29·9	30·3	33·7	37·5	1,337	963	112·7
	2	982	558	34·7	32·7	35·8	40·3	1,743	1,599	116·6
	3	1,016	563	35·3	34·6	34·8	41·8	2,018	1,487	120·5
	4	1,024	600	34·9	34·5	36·0	42·9	2,426	2,050	124·5
1978	*1*	1,051†	571	35·5	27·2	37·8	33·8	2,419	1,310	130·5
	2	974	587	39·6	30·0	37·9	33·1	2,091	969	138·0
	3	992	610	38·3	26·0	35·8	32·4	2,035	1,207	148·2
	4	933	542	43·9	24·2	37·1	31·4	2,165	1,336	157·6
1979	*1*	837	411	28·0	18·2	31·2	23·2	2,239	1,320	166·1
	2	865	494	35·4	20·5	33·8	25·4	2,226	1,227	178·2
	3	869	549	37·9	20·1	31·5	25·0	2,179	1,525	190·6
	4	945	473[3]	38·8	21·3	36·4	28·4	2,228	1,492	201·8
1980	*1*							2,241	1,353	
	2									
1978	*J*	..	191	11·8	9·5	12·5	12·0	655	389	144·7
	A	..	215	11·6	8·0	11·4	10·2	683	381	148·7
	S	..	204	14·9	8·5	11·9	10·2	697	437	151·2
	O	..	189	14·5	8·7	12·2	10·3	709	429	154·7
	N	..	193	14·1	7·5	11·5	10·5	706	432	157·4
	D	..	160	15·3	8·0	13·4	10·6	750	475	161·2
1979	*J*	..	123	7·5	4·9	10·4	7·1	774	510	162·2
	F	..	150	10·9	6·4	11·0	8·0	742	367	167·0
	M	..	138	9·6	6·9	9·8	8·1	723	443	168·8
	A	..	147	10·8	7·0	10·8	8·4	734	372	173·9
	M	..	179	11·6	6·2	11·2	8·3	763	453	179·4
	J	..	168	13·0	7·3	11·8	8·7	729	402	181·5
	J	..	196	12·5	7·0	10·3	8·5	733	442	186·4
	A	..	182	11·3	6·8	9·7	8·0	740	523	192·7
	S	..	171	14·1	6·3	11·5	8·5	706	560	193·3
	O	..	160	13·0	5·4	11·1	9·0	797	652	199·1
	N	..	149	13·0	6·6	12·4	9·5	724	339	202·6
	D	..	164[3]	12·8	9·3	12·9	9·9	707	501	204·4†
1980	*J*	..	119[3]	10·6	5·6	10·9	8·8	708	502†	208·3
	F	..		9·1	5·5	10·1	8·0	748	361	209·1
	M	..						785	490	

[1] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[2] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[3] Provisional.


£ million, 1975 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
1,200
1,100
1,000
900
800
700
600
500
400
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
Public sector (GB)
Private sector (GB)
50
40
30
20
10
0
−10
−20
−30
−40
−50
Building societies
£ million, seasonally adjusted
New commitments
Net increase in shares and deposits
3,000
2,000
1,000
0
1975
1976
1977
1978
1979
1980

Stock changes

Seasonally adjusted

£ million, 1975 prices

	All industries	Manufacturing[1]				Distribution			Other industries
		Total	Materials and fuels	Work in progress	Finished goods	Total	Retail	Wholesale	
Value of stocks and work in progress end-December									
1978[2]	37,261	20,084	7,107	7,474	5,503	8,496	3,825	4,671	8,681
1974 *3*	809	662	250	137	276	− 33	− 91	58	180
4	42	71	− 50	− 43	163	− 34	− 96	62	5
1975 *1*	−560	−258	−351	− 16	110	−207	−109	− 98	− 95
2	−394	−187	−136	− 40	− 12	−190	− 93	− 97	− 17
3	−346	−390	−295	− 62	− 33	− 2	51	− 53	46
4	−177	−285	−140	− 94	− 51	46	45	1	62
1976 *1*	− 83†	− 46	−100	31	23†	68	48	20	−105†
2	−121	− 70	− 73	32	− 29	− 8	− 11	3	− 43
3	270	163	72	84	7	176	106	70	− 69
4	391	304	15	118	171	114	76	38	− 27
1977 *1*	494	251	92	136	23	212	109	103	31
2	423	199	− 11	20	190	252	16	236	− 28
3	15	4	− 19	− 23	46	− 83	− 43	− 40	94
4	261	55	− 45	82	18	79	− 34	113	127
1978 *1*	271†	112	6	63	43	79	45	34	80
2	133	137	− 13	76	74	97	145	− 48	−101
3	238	169	4	125	40	99	78	21	− 30
4	98	129	5	172	− 48	74	96	− 22	−105
1979 *1*	853	50†	31†	− 3†	78	136†	61	75†	667
2	408	148	105	90	− 47	215	64	151	45
3	360	159	27	− 32	164	23	96	− 73	178
4[3]	246	− 88	−107	− 58	77	206	181	25	128

[1] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.
[2] Unadjusted 1975 price stock levels.
[3] Provisional.

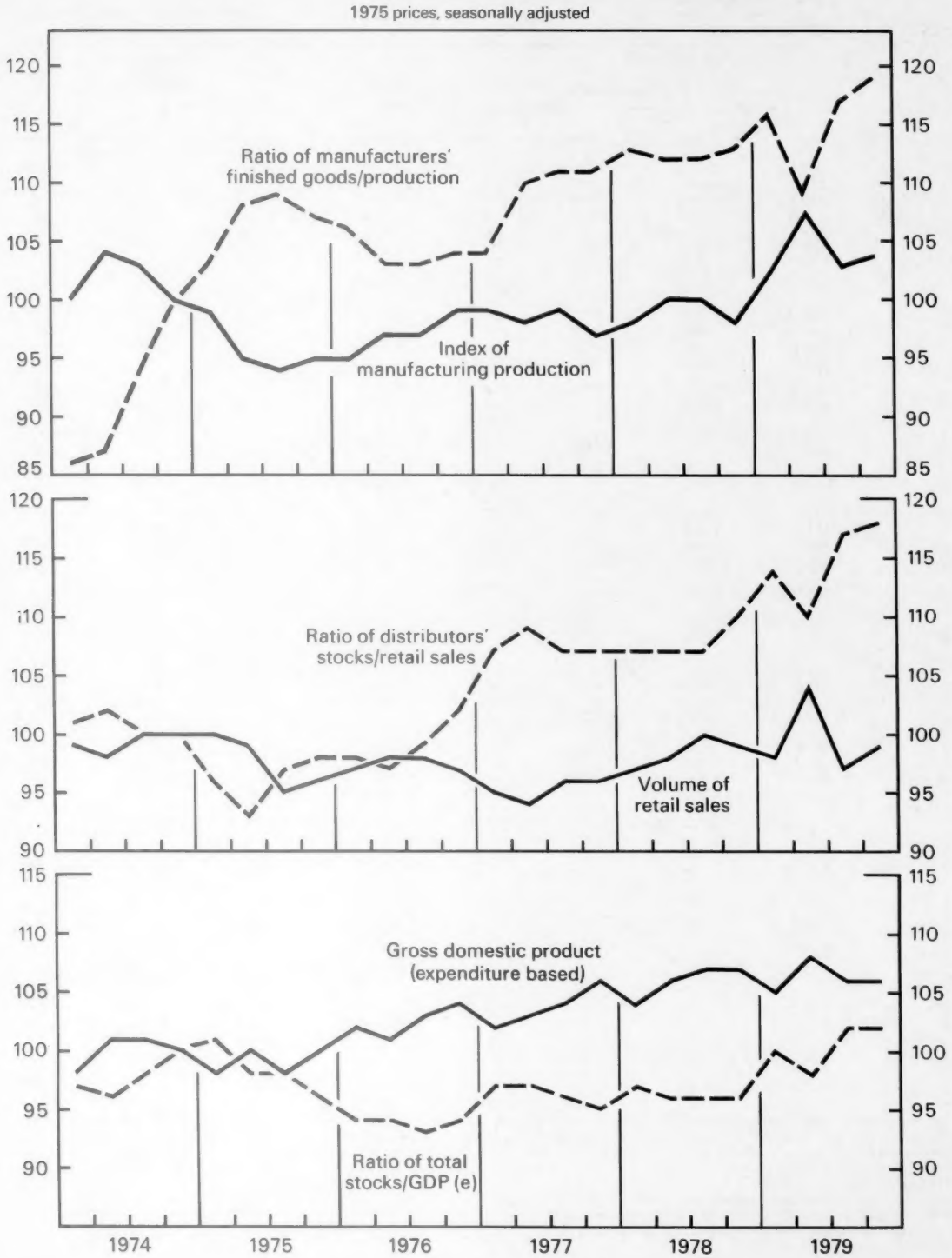
Stock ratios

Seasonally adjusted

1975 prices: stocks level, end-Dec. 1974=100; GDP (a), industrial production and retail sales, 4th quarter 1974=100

	Total stocks to gross domestic product (expenditure based)	Manufacturers' stocks to manufacturing production				Distributors' stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1974 *3*	98	97	98	98	94	100
4	100	100	100	100	100	100
1975 *1*	101	100	97†	101	103	96
2	98	104†	100	105	108	93
3	98	103	97	106†	109†	97
4	96	100	94	103	107	98
1976 *1*	94	99	92	102	106	98
2	94	97	89	101	103	97
3	93	97	90	102	103	99
4	94	97	88	101	104	102
1977 *1*	97	97	89	103	104	107
2	97	100	90	105	110	109
3	96	100	90	105	111	107
4	95	101	89	106	111	107
1978 *1*	97	102	90	108	113	107
2	96	100	88	106	112	107
3	96	101	88	108	112	107
4	96	103	89	112	113	110
1979 *1*	100	104	90	113	116	114
2	98	100	87	109	109	110
3	101†	105	90	113	117	117
4[1]	102	104	89	112	119	118

[1] Provisional.

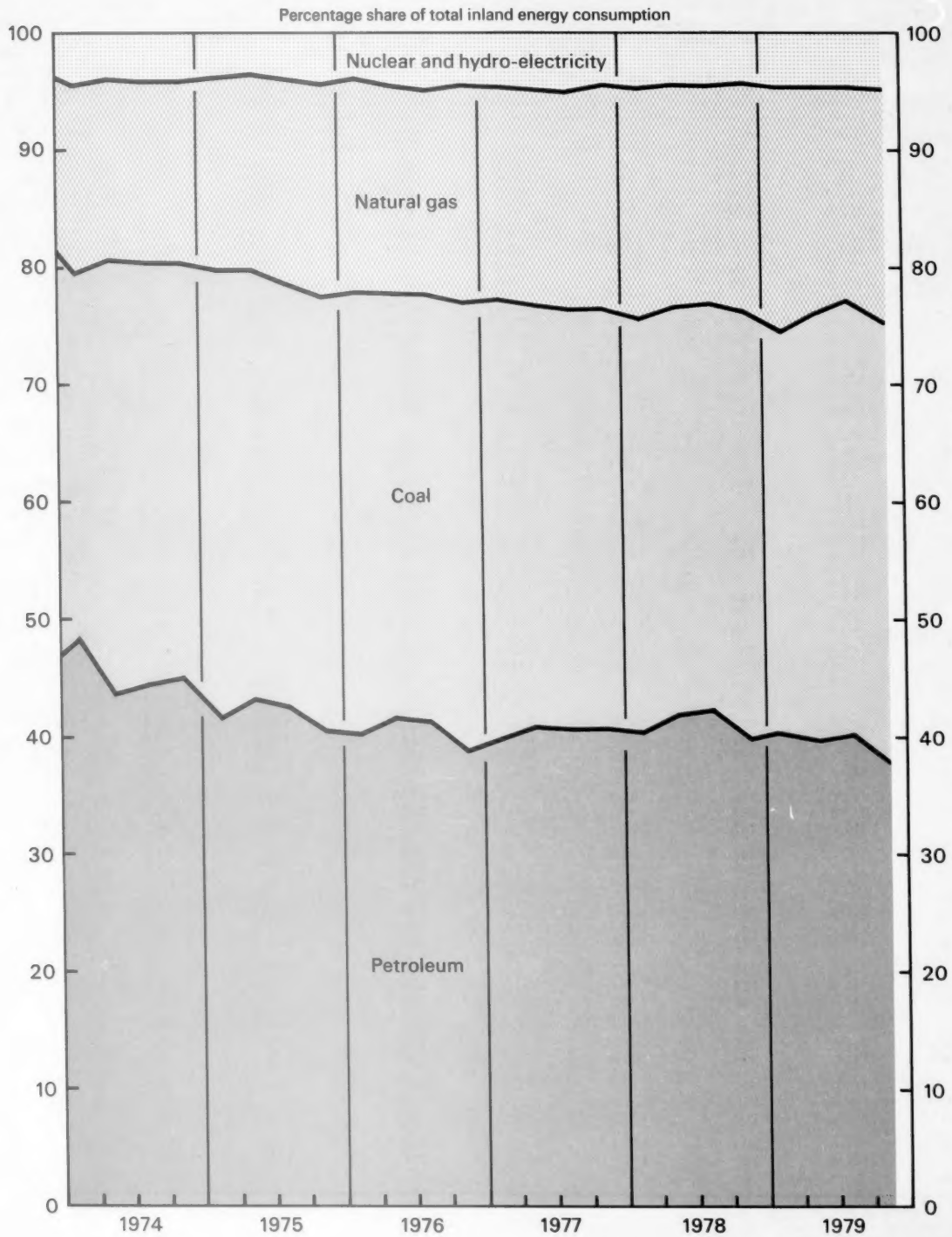

1975 prices, seasonally adjusted
Ratio of manufacturers' finished goods/production
Index of manufacturing production
Ratio of distributors' stocks/retail sales
Volume of retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP (e)
120
115
110
105
100
95
90
85
1974
1975
1976
1977
1978
1979

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tonnes of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4]	Nuclear electricity[5]	Hydro electricity[5]	Electricity available(GB)[6]	Gas available(GB)[7]
1967	303·2	166·3	123·1	2·1	9·0	2·7	177·8	4·37
1968	312·9	166·7	129·2	4·8	10·2	2·0	193·6	4·88
1969	323·0	162·8	138·4	9·4	10·7	1·7	200·5	5·40
1970	336·3	156·8	149·8	17·8	9·5	2·4	211·6	6·30
1971	332·9	140·0	152·4	28·8	9·9	1·8	215·9	8·25
1972	337·4	121·8	162·2	41·0	10·6	1·8	224·1	10·82
1973	354·2	133·2	164·5	44·4	10·1	2·0	241·0	12·04
1974	337·9	117·7	153·1	52·9	12·1	2·1	235·5	13·53
1975	326·9	120·6	137·1	56·3	10·9	2·0	234·2	13·90
1976	331·5	123·0	134·2	59·5	12·9	1·9	236·7	14·41
1977	338·2	122·4	136·8	62·7	14·3	2·0	240·2	15·42
1978	339·1	119·4	139·2	65·0	13·4	2·1	246·3	15·85
1974 *3*	350·9	125·9	155·8	54·9	12·3	2·0	244·2	13·66
4	346·9	122·0	156·3	54·1	12·1	2·4	244·3	13·78
1975 *1*	331·1	127·2	136·8	54·2	10·8	2·1	236·2	13·73
2	331·4	121·2	143·0	55·2	10·4	1·6	237·3	13·71
3	326·4	116·9	139·2	57·4	10·8	2·1	234·7	13·97
4	318·9	117·2	129·2	58·5	12·0	2·0	228·5	14·17
1976 *1*	332·5	125·5	133·8	60·4	10·9	1·9	230·9	14·27
2	334·6	120·8	139·5	59·2	12·5	2·6	240·4	14·36
3	330·9	120·5	136·7	57·6	14·6	1·5	244·3	14·46
4	328·0	125·2	126·8	61·0	13·4	1·6	231·4	14·56
1977 *1*	336·9	126·3	134·0	61·1	13·9	1·6	237·9	14·95
2	337·7	121·1	137·7	62·0	14·5	2·4	242·9	15·32
3	340·5	121·6	138·1	63·4	15·7	1·7	243·3	15·58
4	337·5	120·4	137·3	64·3	13·1	2·4	231·9	15·81
1978 *1*	331·4	116·7	133·4	64·9	14·6	1·8	237·3	15·79
2	341·2	118·7	142·9	64·2	13·3	2·1	248·1	15·68
3	338·3	117·2	143·6	62·4	13·2	1·9	253·9	15·79
4	343·4	125·2	136·7	66·5	12·5	2·5	245·7	16·15
1979 *1*	345·8	121·4	139·4	68·9	14·5	1·6	252·6	16·42
2	351·6	127·1	141·4	67·3	13·3	2·5	257·6	16·58
3	348·9	128·6	140·6	63·7	13·2	2·8	257·7	16·65
4	345·4[8]	128·9[8]	130·9[8]	69·1[8]	13·9[8]	2·6[8]		
	Percentage change, quarter on corresponding quarter of previous year							
1976 *3*	*+ 1·4*	*+ 3·1*	*− 1·8*	*+ 0·3*	*+35·2*	*−28·6*	*+ 4·1*	*+ 3·5*
4	*+ 2·9*	*+ 6·8*	*− 1·9*	*+ 4·3*	*+11·7*	*−20·0*	*+ 1·3*	*+ 2·8*
1977 *1*	*+ 1·3*	*+ 0·6*	*—*	*+ 1·2*	*+27·5*	*−15·8*	*+ 3·0*	*+ 4·8*
2	*+ 0·9*	*+ 0·2*	*− 1·3*	*+ 4·7*	*+16·0*	*− 7·7*	*+ 1·0*	*+ 6·7*
3	*+ 2·9*	*+ 0·9*	*+ 1·0*	*+10·1*	*+ 7·5*	*+13·3*	*+ 1·6*	*+ 7·7*
4	*+ 2·9*	*− 3·8*	*+ 8·3*	*+ 5·4*	*− 2·2*	*+50·0*	*+ 0·2*	*+ 8·6*
1978 *1*	*− 1·6*	*− 7·6*	*− 0·5*	*+ 6·2*	*+ 5·0*	*+12·5*	*− 0·2*	*+ 5·6*
2	*+ 1·0*	*− 2·0*	*+ 3·8*	*+ 3·6*	*− 8·3*	*−12·5*	*+ 2·1*	*+ 2·3*
3	*− 0·7*	*− 3·6*	*+ 4·0*	*− 1·6*	*−15·9*	*+11·8*	*+ 2·3*	*+ 1·3*
4	*+ 1·7*	*+ 4·0*	*− 0·4*	*+ 3·4*	*− 4·6*	*+ 4·2*	*+ 6·0*	*+ 2·2*
1979 *1*	*+ 4·3*	*+ 4·0*	*+ 4·5*	*+ 6·2*	*− 0·7*	*−11·1*	*+ 6·4*	*+ 4·0*
2	*+ 3·0*	*+ 7·1*	*− 1·1*	*+ 4·8*	*—*	*+19·0*	*+ 3·8*	*+ 5·7*
3	*+ 3·1*	*+ 9·7*	*− 2·1*	*+ 2·1*	*—*	*+47·4*	*+ 1·5*	*+ 5·4*
4	*+ 0·6*[8]	*+ 3·0*[8]	*− 4·3*[8]	*+ 3·9*[8]	*+11·4*[8]	*+ 4·8*[8]		

[1] Converted to metric tonnes. Temperature correction has been introduced for natural gas. Details are given in *Energy Trends,* May 1978.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Excluding gas flared or re-injected.
[5] Nuclear and hydro electricity are not temperature corrected.
[6] The inclusion of Northern Ireland would add about 2% to the total.
[7] The inclusion of Northern Ireland would add about 0·3% to the total.
[8] Provisional


Percentage share of total inland energy consumption
Nuclear and hydro-electricity
Natural gas
Coal
Petroleum
100
90
80
70
60
50
40
30
20
10
0
1974
1975
1976
1977
1978
1979

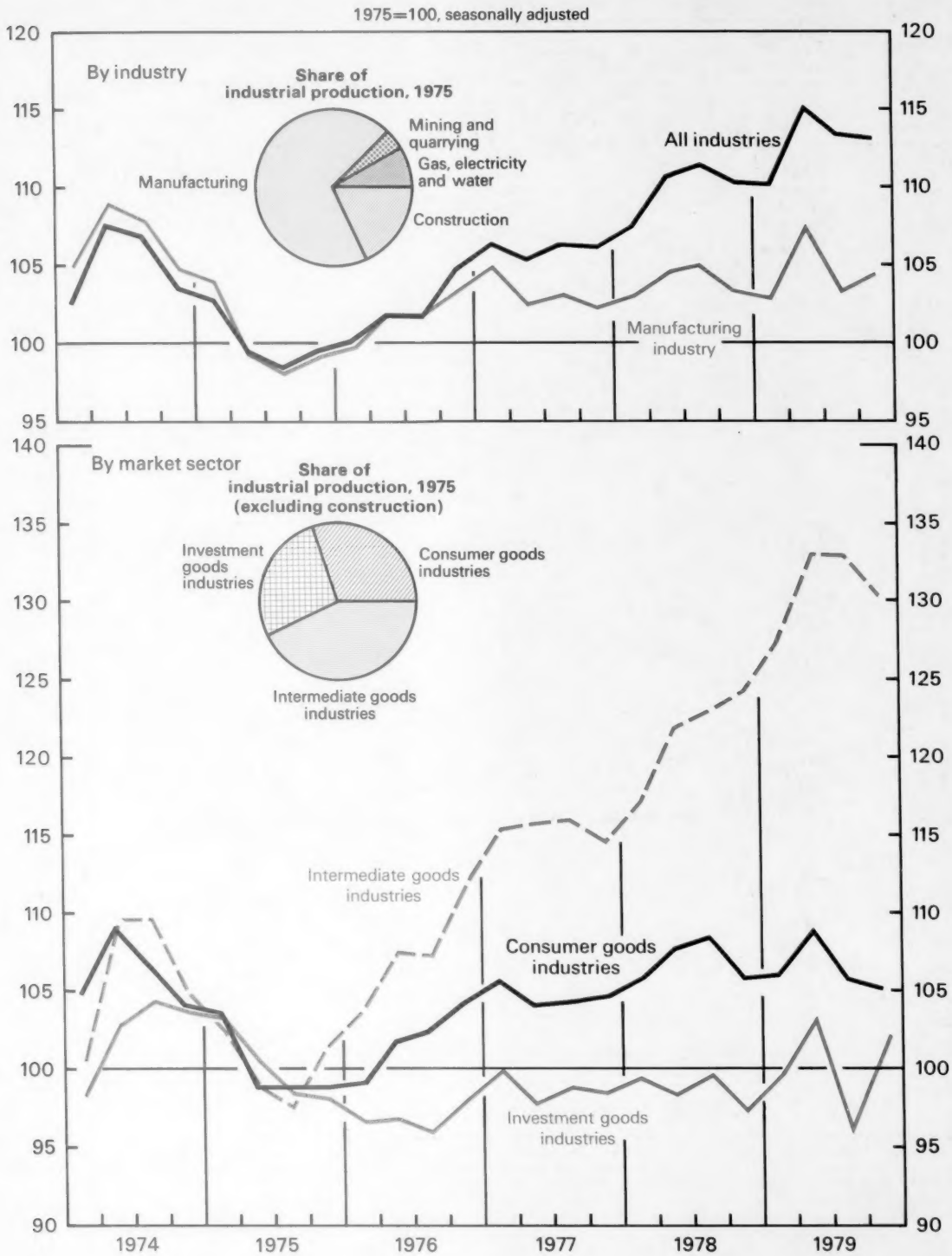
Index of industrial production

Seasonally adjusted

1975=100

		By industry				By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction[2]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1975 weights	*1,000*	*41*	*697*	*182*	*80*	*243*	*218*	*349*
1969	99·6	123·9	97·6	113·5	80·9	89·4	95·7	102·9
1970	99·7	119·1	98·0	111·4	84·1	91·0	95·6	102·9
1971	99·8	119·1	97·4	113·3	87·3	93·3	93·7	102·1
1972	102·0	100·2	100·0	115·4	93·6	99·9	91·2	104·1
1973	109·5	110·1	108·4†	118·2	99·3	108·0	99·0	112·6
1974	105·1	89·9	106·5	105·8	99·2	106·1	102·1	106·1
1975	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1976	102·0†	125·8	101·4	98·6	102·9	101·9	96·8	107·1†
1977	106·0	187·7	103·1	98·3†	107·1	104·7	98·6	115·5
1978	109·9	232·5	103·8	105·6	110·2	107·0†	98·5	121·4
1979	112·7	293·5†	104·2	102·8	117·1†	106·3	99·9	130·4
1974 *1*	102·9†	59·3	104·9†	109·9	92·0	105·0	98·1	100·6†
2	107·5	98·3	108·9	108·1	98·7	109·0	102·6	109·5
3	106·6	102·3	107·7	105·1	103·0	106·5†	104·2	109·2
4	103·5	99·5	104·7	100·2	102·9	104·0	103·5	105·0
1975 *1*	102·6	95·6	103·9	100·8	99·3	103·7	103·3	102·3
2	99·5	98·3	99·1	100·4	100·6	98·8	100·4	98·8
3	98·4	98·5	98·1	99·5	98·2	98·7	98·3	97·7
4	99·5	107·7	98·9	99·3	101·8	98·8	97·9	101·2
1976 *1*	100·4	110·2	99·5	100·3	103·5	99·1	96·5	103·5
2	101·7	120·0	101·6	97·8	102·3	101·7	96·7	106·9
3	101·4	126·0	101·4	96·4	100·2	102·5	96·0	106·6
4	104·6	147·0	103·2	99·9†	105·4	104·3	97·9	111·3
1977 *1*	106·2	174·7	104·7	96·3	106·2	105·6	99·6	115·5
2	105·5	190·2	102·5	97·0	108·4	104·1	97·7	115·8
3	106·0	190·1	102·8	98·9	107·6	104·2	98·6	115·6
4	106·3	195·7	102·4	101·2	105·9	104·7	98·3	114·9
1978 *1*	107·6	209·5	103·2	101·4	107·5	105·7	99·2	117·7
2	110·6	228·7	104·4	107·6	111·6	108·0	98·2	121·7
3	111·2	236·3	104·7	107·4	112·6	108·4	99·4	122·4
4	110·3	255·6	103·0	106·1	109·1	105·8	97·3†	123·9
1979 *1*	110·1	277·1	102·6	96·0	121·3†	106·0	99·3	126·9
2	114·8	294·6†	107·1	102·8	117·5	108·7	102·9	132·8
3	113·1	307·0	103·0	107·0	115·2	105·7	96·0	132·1
4	112·9	295·5	104·0	105·2	114·5	105·0	101·3	129·8
1978 *J*	111·0	235	104·3	..	114	108	99	122
A	111·7†	237	105·3†	..	112	110	100	123
S	111·0	237	104·4	..	111	108	99	122
O	109·3	242	102·4	..	108	105	97	122
N	110·1	260	102·9	..	105	106	97†	124
D	111·7	264	103·9	..	114	107	99	126
1979 *J*	105·1	280	95·3	..	121	102	94	119
F	112·2	284	105·2	..	122	107	102	131
M	113·0	268	107·5	..	121	110	103	131
A	113·6	279†	106·3	..	117	108†	103	130
M	114·9	299	106·7	..	120	108	103	133
J	116·0	306	108·2	..	116	110	103	135
J	115·9	313	106·7	..	115	109	102	135
A	112·3	303	102·1	..	116	105	95	132
S	111·0	305	100·3	..	114†	104	92	130†
O	111·9	300	102·6	..	112	104	98	130
N	114·4	295	105·5	..	120	106	103	132
D	112·5	292	103·9	..	112	105	103	128
1980 *J*	111·9	300	102·4	..	119	107	101	127
F	110·4	306	100·9	..	111	106	101	124
M				..				

[1] All industries other than construction.
[2] For an index of construction output for Great Britain, incorporating the latest available information see page 30.


1975=100, seasonally adjusted
By industry
Share of industrial production, 1975
Mining and quarrying
Gas, electricity and water
Construction
Manufacturing
All industries
Manufacturing industry
By market sector
Share of industrial production, 1975 (excluding construction)
Investment goods industries
Consumer goods industries
Intermediate goods industries
Intermediate goods industries
Consumer goods industries
Investment goods industries
120
115
110
105
100
95
140
135
130
125
120
115
110
105
100
95
90
1974
1975
1976
1977
1978
1979

Index numbers of output

Seasonally adjusted

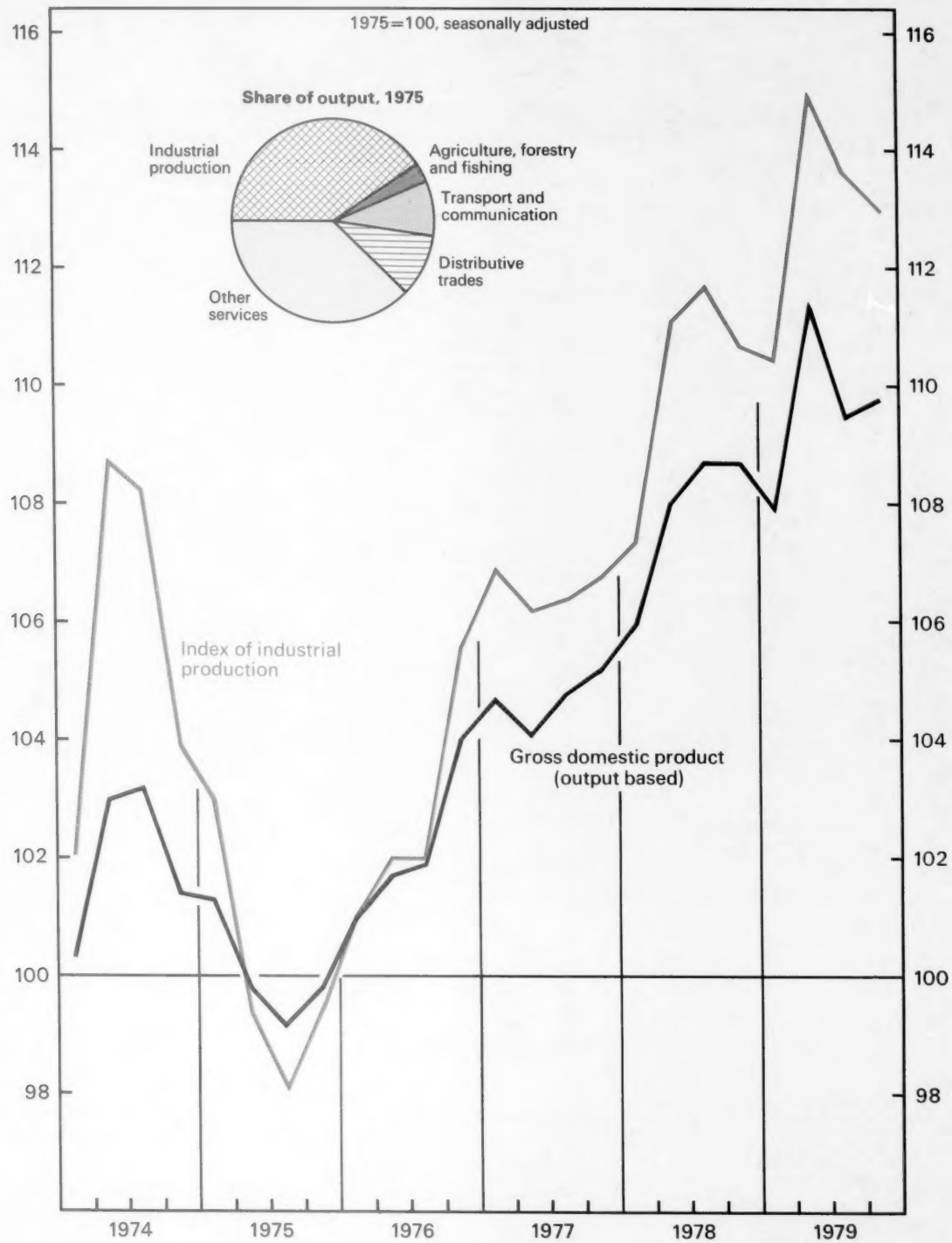
1975=100

	Gross domestic product (based on output data)[1,2] §	Agriculture, forestry and fishing	Industrial production[1] §	Transport and communication	Distributive trades	Other services
1975 weights	*1,000*	*28*	*407*	*88*	*101*	*376*
1968	90·2	91	97·0	80	92	85
1969	92·0	91	99·6	83	93	86
1970	93·6	96	99·7	86	95	88
1971	95·0	101	99·5	89	96	91
1972	97·9	105	101·5	93	101	94
1973	103·7	108	109·8	100	107	97
1974	102·0	110	105·8	101	103	97
1975	100·0	100	100·0	100	100	100
1976	102·2	93	102·6	99	101	103
1977	104·7	106	106·6	103	99	105
1978	107·9	113	110·2	106	103	107
1979	109·6	110	113·0	110	106	107
1974 *1*	100·3	111	102·2	99	104	97
2	103·0	112	108·7	101	102	97
3	103·2	111	108·2	101	104	98†
4	101·4	107	103·9	101	103	98
1975 *1*	101·3	103	102·9	101	103	99
2	99·8	101	99·4	100	101	100
3	99·2	99	98·1	100	98	101
4	99 8	97	99·5	98	98	101
1976 *1*	101·0	94	101·0	98	101	103
2	101·7	90	102·0	99	101	103
3	101·9	91	102·0	99	101	103
4	104·0	96	105·6	102	101	104
1977 *1*	104·7	102	106·9	104	99	104
2	104·1	105	106·2	102	97	104
3	104·8	108	106·4	102	99	105
4	105·2	109	106·8	103	99	105
1978 *1*	106·0	111	107·4	104	101	106
2	108·0	114	111·1	106	103	106
3	108·7	115	111·7	105	105	107
4	108·7	113	110·7	108	105	107
1979 *1*	107·9	111	110·5	105	104	107
2	111·4	110	115·0	113	109	108
3	109·5	110	113·6	112	104	106
4	109·8	111	113·0	112	106	107
	Percentage change, quarter on corresponding quarter of previous year					
1976 *1*	*− 0·2*	*− 9·4*	*− 1·9*	*− 3·3*	*− 2·5*	*+ 3·8*
2	*+ 2·0*	*−10·8*	*+ 2·6*	*− 1·6*	*− 0·4*	*+ 3·7*
3	*+ 2·7*	*− 7·5*	*+ 3·9*	*− 0 8*	*+ 3·3*	*+ 2·9*
4	*+ 4·2*	*− 1·0*	*+ 6·1*	*+ 3·4*	*+ 3·0*	*+ 3·0*
1977 *1*	*+ 3·6*	*+ 8·7*	*+ 5·9*	*+ 5·7*	*− 1·2*	*+ 1·6*
2	*+ 2·4*	*+16·5*	*+ 4·2*	*+ 3·0*	*− 3·2*	*+ 0·7*
3	*+ 2·8*	*+18·2*	*+ 4·4*	*+ 2·7*	*− 1·8*	*+ 1·3*
4	*+ 1·1*	*+13·3*	*+ 1·1*	*+ 0·9*	*− 1·4*	*+ 1·1*
1978 *1*	*+ 1·3*	*+ 9·4*	*+ 0·5*	*+ 0·2*	*+ 1·7*	*+ 1·7*
2	*+ 3·8*	*+ 8·7*	*+ 4·6*	*+ 4·2*	*+ 5·4*	*+ 2·0*
3	*+ 3·7*	*+ 6·5*	*+ 4·9*	*+ 3·2*	*+ 5·5*	*+ 1·9*
4	*+ 3·3*	*+ 3·7*	*+ 3·7*	*+ 4·7*	*+ 6·0*	*+ 1·9*
1979 *1*	*+ 1·7*	*− 0·5*	*+ 2·9*	*+ 0·7*	*+ 3·1*	*+ 0·6*
2	*+ 3·1*	*− 4·1*	*+ 3·5*	*+ 6·4*	*+ 6·6*	*+ 1·5*
3	*+ 0·8*	*− 4·3*	*+ 1·7*	*+ 5·8*	*− 0·8*	*− 0·6*
4	*+ 1·1*	*− 1·5*	*+ 2·1*	*+ 4·2*	*+ 0·6*	*− 0·4*

[1] As from 1970 the figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[2] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1* 100·8	1977	*1* 103·3	1978	*1* 104·1	1979	*1* 104·8
	2 101·3		*2* 102·5		*2* 105·7		*2* 108·0
	3 101·4		*3* 103·1		*3* 106·3		*3* 106·0
	4 103·1		*4* 103·4		*4* 106·0		*4* 106·5

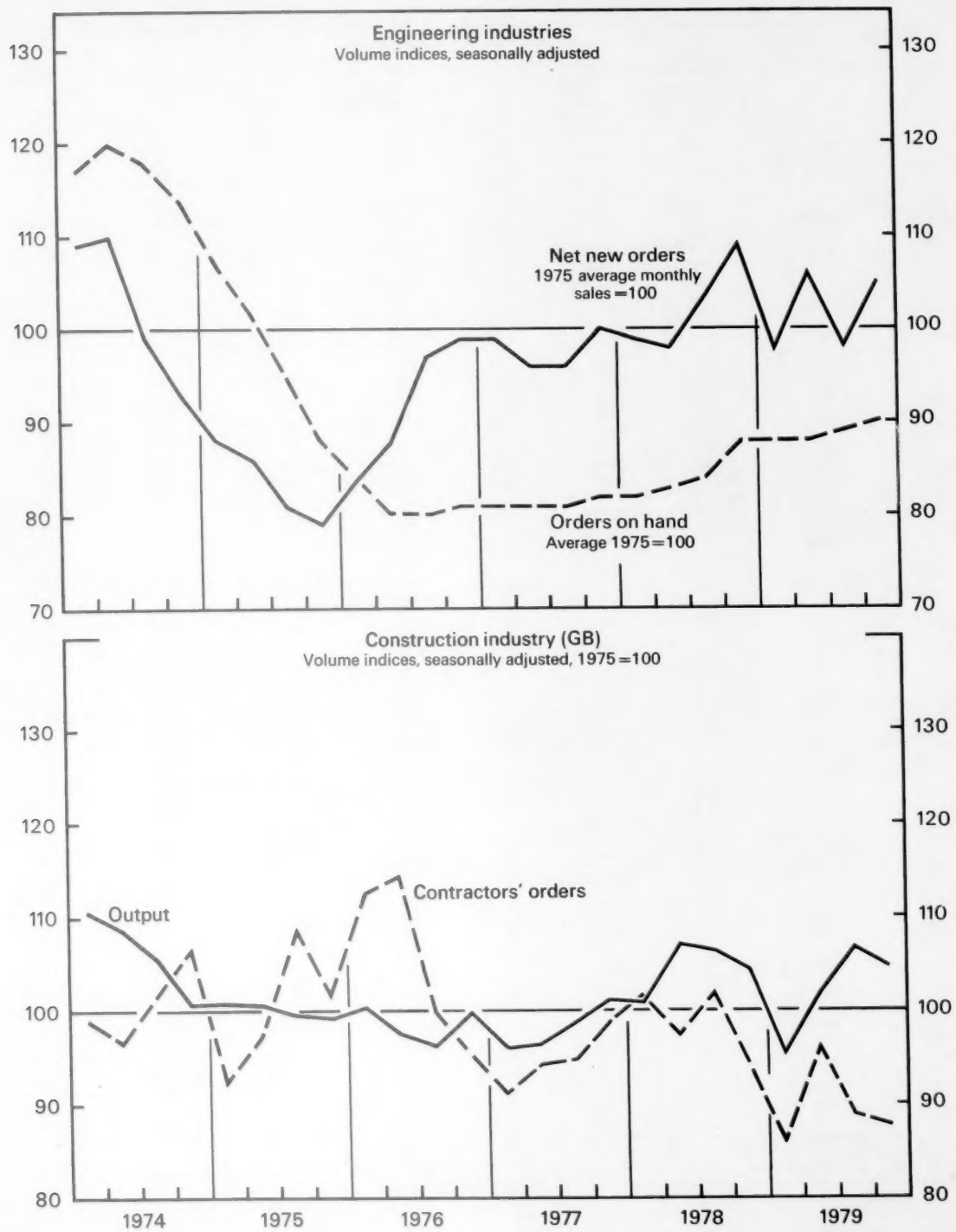

1975=100, seasonally adjusted
Share of output, 1975
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Index of industrial production
Gross domestic product (output based)
116
114
112
110
108
106
104
102
100
98
1974
1975
1976
1977
1978
1979

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

	Engineering industries[1]							Construction (GB)	
	Total			Home market		Export			
	Sales	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Orders on hand end of period	New orders[2]	Output[3, 4]	Orders received
	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	Average 1975=100	1975 average monthly sales=100	1975=100	1975=100
1969	..	..	..	..	..	..	..	117·4	133·7
1970	..	..	..	..	..	..	..	115·2	131·1
1971	..	..	..	..	..	..	..	116·2	139·2
1972	..	..	..	..	..	..	..	117·4	146·3
1973	99	113	116	120	121	100	105	118·1	141·4
1974	102	114	103	115	102	112	106	106·0	101·1
1975	100	88	84	87	83	90	84	100·0	100·0
1976	97	81	92	74	87	94	104	98·5	105·5
1977	97	82	98	75	93	98	108	98·1	94·7
1978[5]	99	88	102	83	100	98	106	104·8	98·8
1979	100	90†	102	86	100	98†	107†	102·3[5]	89·6[5]†
1975 *1*	105	107	88	108	89	105	85	100·7	92·5
2	100	102	86	102	85	102	89	100·4	97·1
3	98	95	81	94	80	96	84	99·6	108·8
4	97	88	79	87	78	90	80	99·3	101·6
1976 *1*	96	84	84	83	83	85	89	100·3	112·6
2	98	80	88	79	87	82	91	97·6	114·5
3	96	80	97	77	90	87	113	96·3	99·7
4	97	81	99	74	89	94	123	99·9	95·2
1977 *1*	98	81	99	74	95	96	107	96·0	91·0
2	96	81	96	73	90	98	112	96·5	94·3
3	97	81	96	73	92	96	105	98·7	94·8
4	96	82	100	75	96	98	109	101·0	98·7
1978[5] *1*	99	82	99	75	95	98	107	100·9	101·6
2	97	83	98	75	96	97	101	107·1	97·5
3	100	84	103	76	99	99	111	106·5	102·0
4	98	88	109	83	112	98	102	104·6	94·2
1979 *1*	97	88	98	82	93	101	110	95·4	86·0
2	105	88	106	83	104	99†	110	102·0	96·0
3	97	89	98†	84	99	98	97†	106·8	88·7
4	103†	90†	105	86	103	98	110	104·8[5]	87·6[5]
1978[5] *J*	98	83	103	76	100	97	109	..	93·7
A	100	83	97	76	98	95	95	..	108·2
S	102	84	108	76	98	99	130	..	104·1
O	96	84	97	76	97	98	98	..	103·9
N	98	87	124	81	131	98	107	..	88·3
D	101	88	106	83	108	98	102	..	90·4
1979[5] *J*	85	89	93	83	90	101	102	..	79·4
F	102	89†	99	83	95	100	108		99·5
M	105	88	101	82	93	101	120		79·2
A	102	88	104†	82	100	101	115	..	89·6
M	103	89	105	83	107	100	99	..	103·1
J	109	88	109	83	106†	99	115†	..	95·3
J	101	89	102	84	105	98	96	..	94·3
A	96	89	97	84	95	98	99	..	91·8
S	94	89	96	84	96	99	95	..	80·1
O	95	89	99	85	96	99†	108	..	91·2
N	107	90	112	86	110	99	116	..	85·3
D	106†	90	104	86	104	98	105	..	86·3[5]
1980 *J*	101	88	88	83	83	97	98	..	77·9[5]
F									
M									

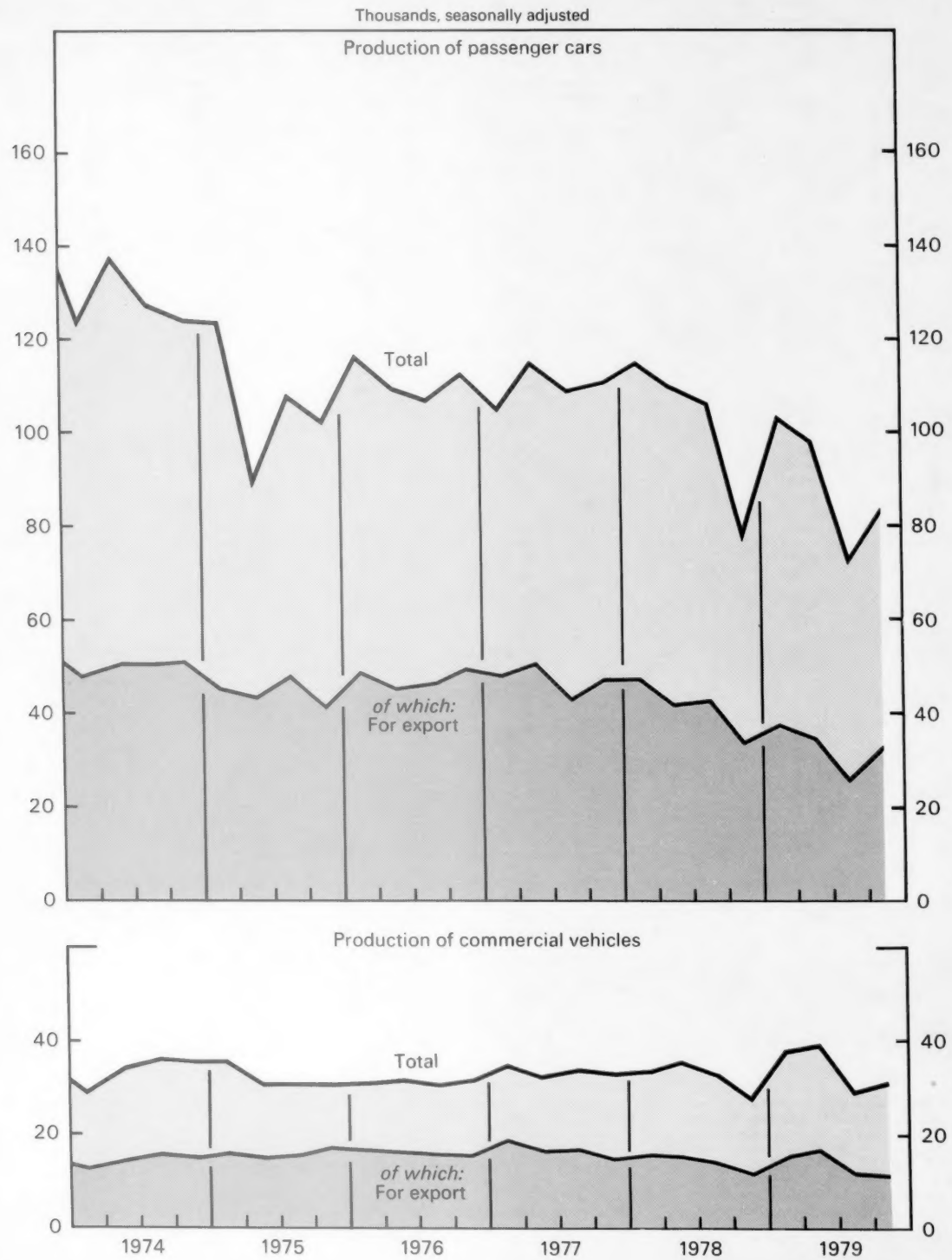
[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).
[2] Net of cancellations.
[3] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[4] Details of the method of deflation to constant prices are given in *Economic Trends*, No. 297, July 1978.
[5] Provisional.


Engineering industries
Volume indices, seasonally adjusted
Net new orders
1975 average monthly sales =100
Orders on hand
Average 1975=100
Construction industry (GB)
Volume indices, seasonally adjusted, 1975=100
Output
Contractors' orders
130
120
110
100
90
80
70
1974
1975
1976
1977
1978
1979

Motor vehicle production and steel production and consumption

	Seasonally adjusted							
	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*	*of which:* For export	Total	*Percentage change on year earlier*	*of which:* For export	Crude steel production[2,3]	Finished steel consumption
1969	143·1	*− 5·4*	68·7	38·8	*+13·8*	16·1	26,822	17,782
1970	136·7	*− 4·4*	60·2	38·1	*− 1·8*	15·8	27,792[4]	17,637[4]
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,153	16,722
1972	160·1	*+10·3*	51·1	34·0	*−10·5*	11·3	25,293	16,750
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,594	18,445
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975	105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789[4]	15,446[4]
1976	111·1	*+ 5·2*	47·1	31·0	*− 2·3*	15·8	22,274	15,804
1977	109·7	*− 1·3*	46·9	33·2	*+ 7·0*	16·4	20,411	15,300
1978	101·9	*− 7·1*	41·2	32·0	*− 3·5*	14·1	20,311	15,593
1979	89·2	*−12·5*	32·7	34·0	*+ 6·1*	13·5	..	..
1975 *1*	123·2	*− 0·1*	44·9	35·6	*+22·1*	15·7	6,102	4,267
2	89·3	*−34·8*	43·5	30·5	*−10·1*	14·6	4,661	3,695
3	107·9	*−15·0*	47·8	30·4	*−14·9*	15·2	4,231[5]	3,715[5]
4	102·1	*−17·7*	41·2	30·4	*−14·1*	16·7	4,719	3,769
1976 *1*	116·1	*− 5·8*	48·2	30·6	*−14·2*	16·1	5,480	4,076
2	109·6	*+22·7*	44·9	31·4	*+ 3·1*	16·0	5,731	3,887
3	106·8	*− 1·1*	45·9	30·3	*− 0·2*	15·6	5,375	3 785
4	112·1	*+ 9·8*	49·4	31·7	*+ 4·3*	15·5	5,650	4,056
1977 *1*	104·6	*− 9·9*	47·8	34·6	*+13·1*	18·3	5,417	3,744
2	114·8	*+ 4·8*	50·1	32·1	*+ 2·2*	16·1	4,908	3,758
3	108·9	*+ 2·0*	42·8	33·6	*+10·9*	16·5	5,419	3,974
4	110·3	*− 1·5*	46·9	32·4	*+ 2·3*	14·7	4,641	3,824
1978 *1*	114·9	*+ 9·8*	46·9	33·2	*− 4·0*	15·7	4,957	4,202
2	109·4	*− 4·7*	41·9	35·0	*+ 8·9*	15·2	5,278	3,949
3	105·7	*− 2·9*	42·2	32·3	*− 4·0*	13·9	4,757	3 910
4	77·6	*−29·7*	33·9	27·7	*−14·5*	11·6	5,245	3,522
1979 *1*	102·7	*−10·6*	37·6	37·7	*+13·5*	15·2	4,954	3,662
2	98·1	*−10·4*	34·9	39·0	*+11·4*	16·3	5 721	3,920
3	72·2	*−31·7*	26·0	28·9	*−10·5*	11·7	5,485	3,750[7]
4	83·8	*+ 8·0*	32·4	30·5	*+ 9·9*	11·0	5,200	..
1978 *O*	83·3	*−22·6*	37·0	26·2	*−22·7*	10·8	1,614	..
N	54·8	*−48·6*	26·8	24·4	*−20·4*	11·6	2,072[6]	..
D	94·7	*−18·8*	37·8	32·5	*− 0·6*	12·3	1,559	..
1979 *J*	92·8	*−16·7*	34·8	34·7†	*+ 3·9†*	12·4	1,598[6]	..
F	104·6	*− 6·7*	39·5	37·9	*+23·2*	15·8	1,634	..
M	110·8	*− 8·6*	38·4	40·5	*+14·3*	17·3	1,722	..
A	101·9	*−12·7*	36·4	41·9	*+16·3*	18·7	1,776	..
M	90·8	*−12·6*	32·7	37·0	*+ 6·9*	15·4	2,148[6]	..
J	101·5	*− 5·6*	35·7	38·1	*+10·9*	15·0	1,797	..
J	99·6	*+ 4·1*	34·1	39·6	*+18·1*	14·5	1,804	..
A	56·9	*−50·4*	23·2	22·9	*−26·8*	10·2	1,871[6]	..
S	60·2	*−43·6*	20·5	24·3	*−24·4*	10·3	1,810	..
O	76·5	*− 8·3*	25·4	26·5	*+ 0·9*	10·1	2,098[6]	..
N	84·6	*+54·3*	36·2	32·4	*+32·5*	11·6	1,644	..
D	90·3	*− 4·6*	35·7	32·6	*+ 0·2*	11·3	1,458	..
1980 *J*	99·7	*+ 7·4*	40·9	39·1	*+12·9*	15·3	..	..
F	105·5	*+ 0·9*	39·9	44·1	*+16·3*	13·4	..	..
M							..	..

[1] Monthly averages or standardised calendar months.
[2] The totals are for 'usable steel' in accordance with the system used by the EEC and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] 53-week period; reduced to 52-week basis for comparison purposes.
[5] 14-week period; reduced to 13-week basis for comparison purposes. [6] Five-week periods. [7] Provisional.


Thousands, seasonally adjusted
Production of passenger cars
160
140
120
100
80
60
40
20
0
Total
of which:
For export
Production of commercial vehicles
40
20
0
Total
of which:
For export
1974
1975
1976
1977
1978
1979

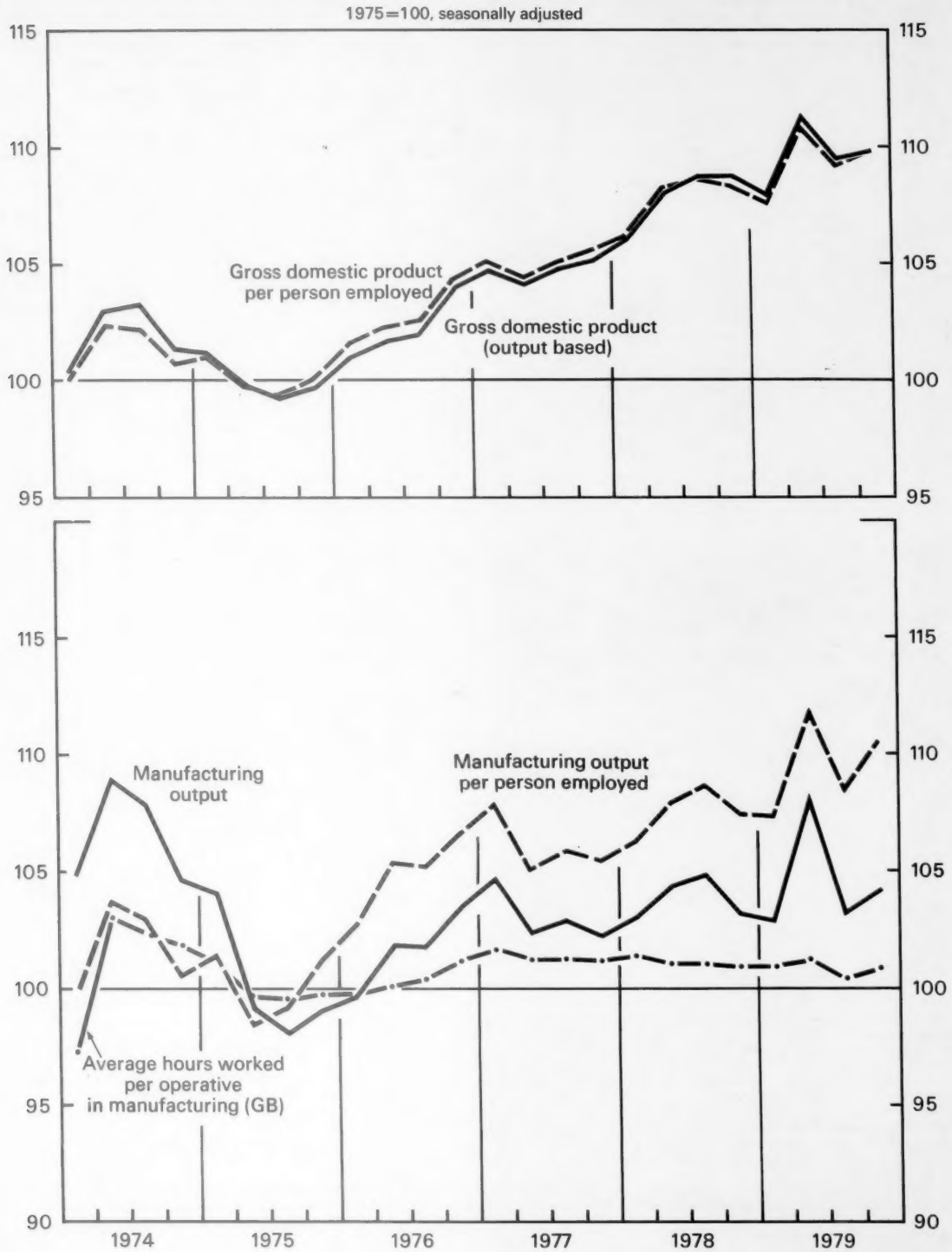
Output per person employed

Seasonally adjusted

1975 =100

		Total employed labour force	Employment		Output per person employed[1]		
			Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1968		99·8	111·1	109·9	90·4	87·3	85·6
1969		99·7	110·8	111·3	92·3	89·9	87·7
1970		99·4	109·3	111·0	94·2	91·2	88·3
1971		97·6	106·1	107·4	97·3†	94·1	90·7
1972		98·3	103·4	103·9	99·6	98·6	96·2
1973		100·4	104·7	104·5	103·3	104·6	103·6
1974		100·7	104·4	104·7	101·3	100·7	101·7
1975		100·0	100·0	100·0	100·0	100·0	100·0
1976		99·5	97·5	96·9	102·7	104·8	104·9
1977[2]		99·6†	97·3†	97·2	105·1	108·9†	106·0
1978		100·0	96·8	96·5†	107·9	113·5	107·6†
1979		100·3	96·1	95·2	109·3	117·4	109·6
1974	*1*	100·3	104·6	104·8	100·0†	98·3†	100·0†
	2	100·6	104·5	105·0	102·4	102·9	103·7
	3	101·0	104·1	104·9	102·2	102·5	102·8
	4	100·7	104·2	104·1	100·7	99·3	100·5
1975	*1*	100·3	101·9	102·7	101·0	100·8	101·3
	2	100·1	100·4	100·7	99·7	99·0	98·4
	3	99·9	99·4	98·9	99·3	98·9	99·1
	4	99·7	98·4	97·7	100·1	101·2	101·2
1976	*1*	99·4	97·9	97·0	101·6	102·7†	102·7
	2	99·4†	97·5	96·7	102·3	104·5	105·3
	3	99·4	97·3	96·8	102·5	104·4	105·1
	4	99·6†	97·3†	97·0	104·4	107·6	106·6
1977	*1*	99·6	97·4	97·1	105·1	109·0	107·8
	2	99·7	97·6	97·4†	104·4	108·0	105·0
	3[2]	99·7	97·3	97·2	105·1	109·1	105·9
	4	99·6	96·9	96·9	105·6	109·5	105·4
1978	*1*	99·8	97·1	96·9	106·2	110·5	106·2
	2	99·8	97·0	96·7	108·2	114·0	107·9
	3	100·1	96·7	96·5	108·6	115·1	108·6
	4	100·4	96·4	96·0	108·3	114·4	107·4
1979	*1*	100·3	96·4	95·8	107·6	114·3	107·3
	2	100·5	96·3	95·7	110·8	119·3	111·9
	3	100·4	96·2	95·3	109·1	117·8	108·3
	4	100·1	95·2	94·2	109·7	118·8	110·5
		Percentage change, quarter on corresponding quarter of previous year					
1977	*1*	*+0·2†*	*−0·5†*	*+0·1*	*+3·4†*	*+6·1†*	*+5·0†*
	2	*+0·3*	*+0·1*	*+0·7†*	*+2·1*	*+3·3*	*−0·3*
	3[2]	*+0·3*	*—*	*+0·4*	*+2·5*	*+4·5†*	*+0·8*
	4	*—*	*−0·4*	*−0·1*	*+1·1*	*+1·8*	*−1·1*
1978	*1*	*+0·2*	*−0·3*	*−0·2*	*+1·0*	*+1·4*	*−1·5*
	2	*+0·1*	*−0·6*	*−0·7*	*+3·6*	*+5·6*	*+2·8*
	3	*+0·4*	*−0·6*	*−0·7*	*+3·3*	*+5·5*	*+2·5*
	4	*+0·8*	*−0·5*	*−0·9*	*+2·6*	*+4·5*	*+1·9*
1979	*1*	*+0·5*	*−0·7*	*−1·1*	*+1·3*	*+3·4*	*+1·0*
	2	*+0·7*	*−0·7*	*−1·0*	*+2·4*	*+4·6*	*+3·7*
	3	*+0·3*	*−0·5*	*−1·2*	*+0·5*	*+2·3*	*−0·3*
	4	*−0·3*	*−1·2*	*−1·9*	*+1·3*	*+3·8*	*+2·9*

[1] The ratios do not take into account part-time working or hours of work.
[2] Figures after June 1977 are provisional.


1975=100, seasonally adjusted
115
110
105
100
95
Gross domestic product per person employed
Gross domestic product (output based)
Manufacturing output
Manufacturing output per person employed
Average hours worked per operative in manufacturing (GB)
90
1974
1975
1976
1977
1978
1979

National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1975 = 100	1975 = 100	Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3,4]	Thousands[4,5]	Percentage of employees[6]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative[7]	Total unemployed including school leavers[5]
1970	25,344	24,739	22,465	602·0	*2·6*	188·3	111·3	104·5	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	107·5	102·6	792·1
1972	25,244	24,386	22,116	854·9	*3·7*	147·3	103·8	102·1	875·6
1973	25,601	24,971	22,663	611·0	*2·6*	307·0	104·5	103·9	618·8
1974	25,654†	25,059†	22,789†	599·7[8]	*2·6*[8]	301·6[8]	105·0	101·1	614·9[8]
1975	25,852	24,932	22,710	929·1	*3·9*	148·1[8]	100·0	100·0	977·6
1976	26,147	24,763	22,541	1,269·3[8]	*5·3*	119·7	96·7	100·3	1,358·8[8]
1977	26,328	24,824	22,611	1,376·8	*5·7*	155·9[8]	97·4	101·3	1,483·6
1978	26,360	24,860	22,656	1,376·2	*5·7*	210·5[8]	96·6†	101·1	1,475·0
1979	26,414	25,015	22,815	1,303·4	*5·4*	241·4	95·6	100·8	1,390·5
1975 *3*	25,975	24,886†	22,660†	994·6	*4·2*	133·8	98·4	99·5	1,095·5
4	26,031†	24,824	22,599	1,128·2	*4·8*	115·5	97·4	99·7	1,172·3
1976 *1*	26,048	24,762	22,539	1,222·7	*5·1*	114·0	96·7	99·7	1,297·5
2	26,147	24,763	22,541	1,269·3	*5·3*	115·7	96·7	100·0	1,294·9
3	26,148	24,762	22,538	1,290·6	*5·4*	126·2	96·8	100·4	1,473·7
4	26,182	24,799	22,579	..[9]	..[9]	..[9]	97·0	101·1†	..[9]
1977 *1*	26,203	24,811	22,595	1,331·5†	*5·5*†	..[9]	97·2	101·6	1,417·8
2	26,328	24,824	22,611	1,352·5	*5·6*	153·0†	97·4	101·2	1,394·7
3	26,344	24,816	22,602	1,400·1	*5·8*	154·7	97·1[7]†	101·2	1,622·4
4	26,298	24,802	22,592	1,423·1	*5·9*	164·3	96·9	101·1	1,499·4
1978 *1*	26,321	24,847	22,640	1,415·3	*5·9*	185·9	96·9	101·4	1,506·1
2	26,360	24,860	22,656	1,389·6	*5·7*	204·1	96·6	101·0	1,428·2
3	26,345	24,914	22,708	1,365 2	*5·6*	216·7	96·3	101·0	1,570·6
4	26,378	24,995	22,792	1,334·7	*5·5*	235·4	95·9	100·9	1,395·3
1979 *1*	26,395	24,977	22,776	1,355·7	*5·6*	232·4	95·7	100·9	1,436·5
2	26,414	25,015	22,815	1,304·4	*5·4*	252·3	95·6	101·2	1,327·9
3	26,318	25,011	22,806	1,266·8	*5·2*	249·1	94·9	100·4	1,438·0
4	26,307	24,931	22,726	1,286·7	*5·3*	231·8	93·8	100·8	1,359·4
1980 *1*				1,377·8	*5·7*	193·0			1,479·2
2									
1978 *O*	..	..	..	1,347·4	*5·6*	232·9	96·0†	100·9	1,429·5
N	..	..	..	1,333·3	*5·5*	235·1	95·9	100·8	1,392·0
D	..	..	..	1,323·5	*5·5*	238·1	95·9	100·9†	1,364·3
1979 *J*	..	..	..	1,340·9	*5·5*	236·2	95·8	100·5	1,455·3
F	..	..	..	1,366·0	*5·6*	229·0	95·7	101·0	1,451·9
M	..	..	..	1,360·3	*5·6*	232·0	95·7	101·2	1,402·3
A	..	..	..	1,325·3	*5·5*	243·6	95·6	101·4	1,340·6
M	..	..	..	1,306·1	*5·4*	254·6	95·6	101·1	1,299·3
J	..	..	..	1,281·8	*5·3*	258·8	95·6	101·2	1,343·9
J	..	..	..	1,276·4	*5·3*	252·9	95·6	101·1	1,464·0
A	..	..	..	1,262·0	*5·2*	248·6	95·4	100·1	1,455·5
S	..	..	..	1,261·9	*5·2*	245·9	94·9	100·0	1,394·5
O	..	..	..	1,278·8	*5·3*	238·4	94·4	100·4	1,367·6
N	..	..	..	1,283·7	*5·3*	234·6	94·1	101·0	1,355·2
D	..	..	..	1,297·7	*5·4*	222·3	93·8	101·0	1,355·5
1980 *J*	..	..	..	1,336·7	*5·5*	206·9	93·4	101·0	1,470·6
F	..	..	..	1,383·1	*5·7*	191·4	92·8	100·7	1,488·9
M	..	..	..	1,413·5	*5·8*	180·0			1,478·0

[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.

[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.

[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. From September 1977 the employees in employment figures for the UK are provisional until the publication of the results of the Census of Employment for June 1978. A constant component for Northern Ireland is included from June 1979.

[4] The seasonally adjusted series from January 1977 onwards have been revised as described in the March 1980 *Employment Gazette*.

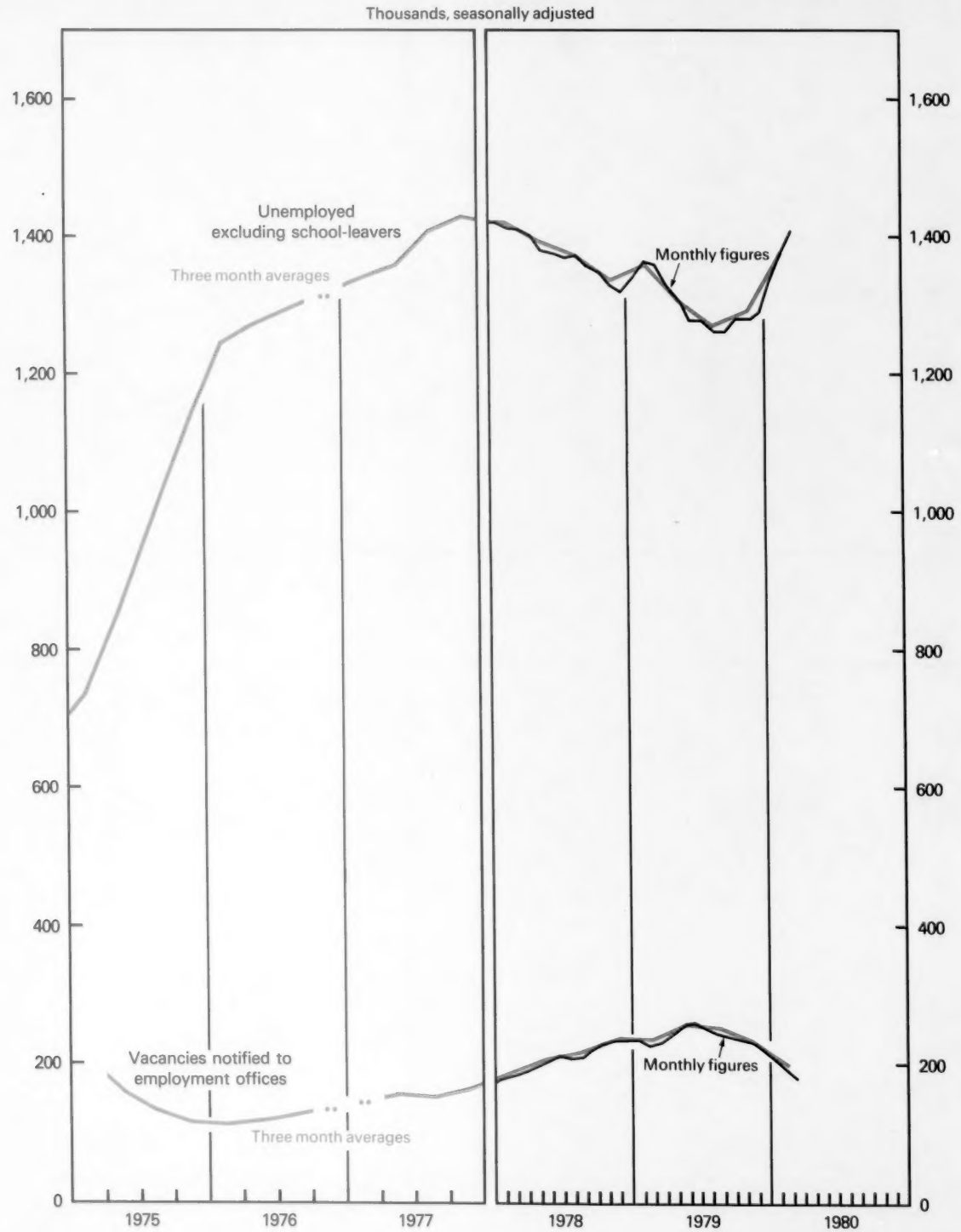
[5] From October 1979, figures have been adjusted for the effects of fortnightly payment of benefit as described on page 1151 of *Employment Gazette*, November 1979.

[6] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): the latest figure available is the provisional estimate for mid-1979.

[7] Estimates after June 1977 are provisional.

[8] Averages of eleven months' figures.

[9] Because of industrial action by some staff in the Department of Employment group, figures for these months are not available.


Thousands, seasonally adjusted
1,600
1,400
1,200
1,000
800
600
400
200
0
Unemployed
excluding school-leavers
Three month averages
Monthly figures
Vacancies notified to
employment offices
Three month averages
Monthly figures
1975
1976
1977
1978
1979
1980

Regional unemployment rates[1]

Seasonally adjusted[2]

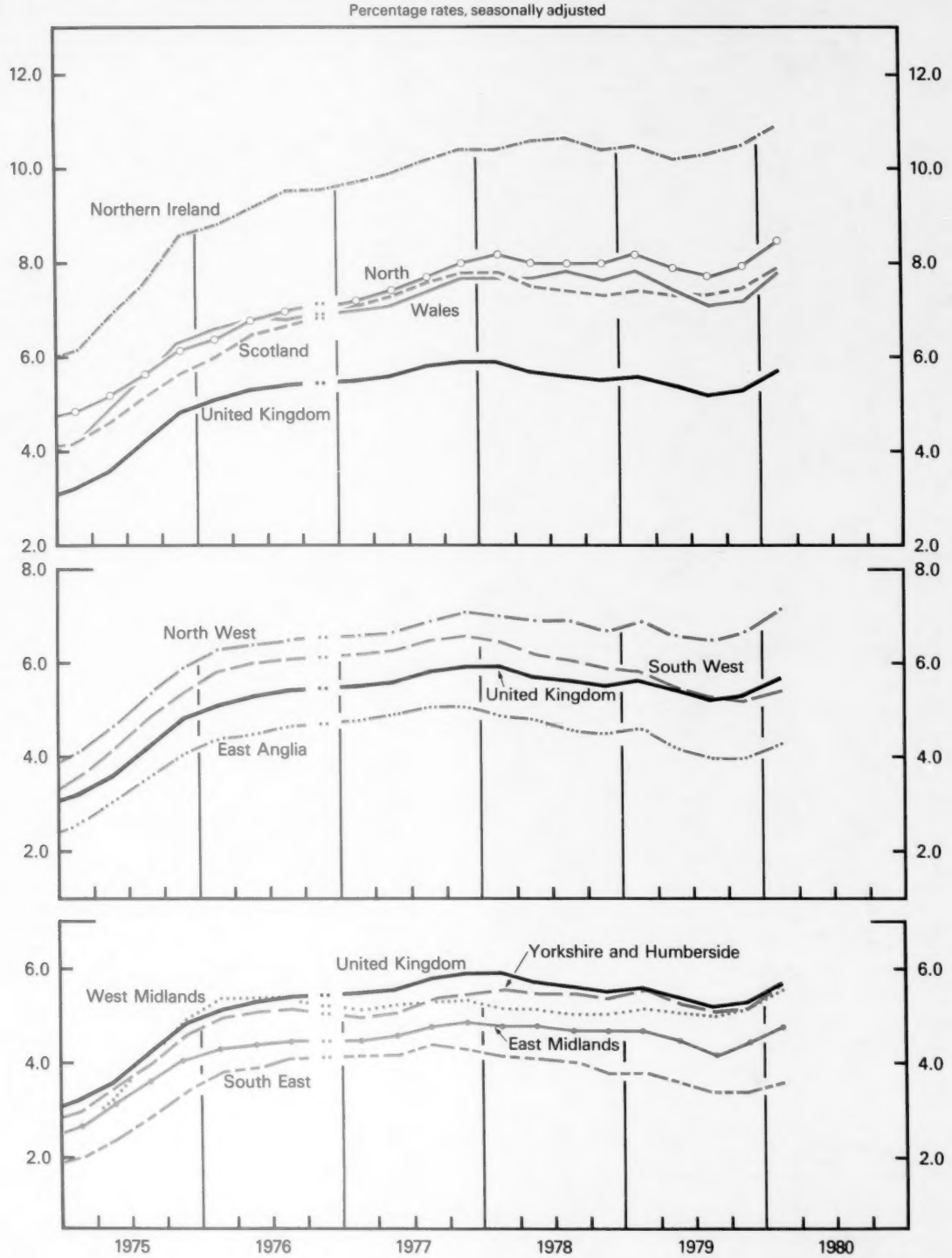
Per cent

	North[3]	Yorkshire and Humberside[3]	East Midlands[3]	East Anglia	South East[3]	South West[3]	West Midlands
1975 *1*	4·8	3·0	2·7	2·6	2·0	3·6	2·7
2	5·2	3·5	3·2	3·1	2·4	4·2	3·5
3	5·7	4·0	3·7	3·6	2·9	4·8	4·2
4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976 *1*	6·4	5·0	4·3	4·4	3·8	5·8	5·4
2	6·8	5·1	4·4	4·5	3·9	6·0	5·4
3	7·0	5·2	4·5	4·7	4·1	6·1	5·4
4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]
1977 *1*	7·2†	5·0†	4·5†	4·8†	4·2†	6·2†	5·2†
2	7·4	5·1	4·6	4·9	4·2	6·3	5·3
3	7·7	5·4	4·8	5·1	4·4	6·5	5·4
4	8·0	5·5	4·9	5·1	4·3	6·6	5·4
1978 *1*	8·2	5·6	4·8	4·9	4·2	6·5	5·2
2	8·0	5·5	4·8	4·8	4·1	6·2	5·2
3	8·0	5·5	4·7	4·6	4·0	6·1	5·1
4	8·0	5·4	4·7	4·5	3·8	5·9	5·1
1979 *1*	8·1	5·6	4·7	4·6	3·8	5·8	5·2
2	7·9	5·3	4·5	4·2	3·6	5·5	5·1
3	7·7	5·1	4·2	4·0	3·4	5·3	5·0
4	7·9	5·2	4·5	4·0	3·4	5·2	5·2
1980 *1*	8·5	5·7	4·8	4·3	3·6	5·4	5·6
2							

	North West[3]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1975 *1*	4·1	4·2	4·2	3·1	6·1	3·1
2	4·7	4·9	4·6	3·6	6·9	3·6
3	5·3	5·6	5·2	4·1	7·6	4·2
4	5·9	6·3	5·7	4·7	8·6	4·8
1976 *1*	6·3	6·6	6·0	5·0	8·8	5·1
2	6·4	6·8	6·5	5·2	9·2	5·3
3	6·5	6·8	6·7	5·3	9·5	5·4
4	..[4]	..[4]	..[4]	..[4]	9·6	..[4]
1977 *1*	6·6†	7·0†	7·1†	5·4†	9·7†	5·5†
2	6·7	7·1	7·3	5·5	9·9	5·6
3	6·9	7·4	7·6	5·7	10·2	5·8
4	7·1	7·7	7·8	5·8	10·4	5·9
1978 *1*	7·0	7·7	7·8	5·7	10·4	5·9
2	6·9	7·7	7·6	5·6	10·6	5·7
3	6·9	7·8	7·4	5·5	10·7	5·6
4	6·7	7·6	7·3	5·4	10·4	5·5
1979 *1*	6·9	7·8	7·4	5·5	10·5	5·6
2	6·6	7·4	7·3	5·3	10·2	5·4
3	6·5	7·1	7·3	5·1	10·3	5·2
4	6·7	7·2	7·5	5·2	10·5	5·3
1980 *1*	7·2	7·8	7·9	5·6	10·9	5·7
2						

[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figures available are the provisional estimates for mid-1979.
[2] The seasonally adjusted series from January 1977 onwards have been revised as described in the March 1980 issue of *Employment Gazette*.
[3] The boundaries of the standard regions were revised in April 1974.
[4] Because of industrial action by some staff in the Department of Employment group, figures are not available.

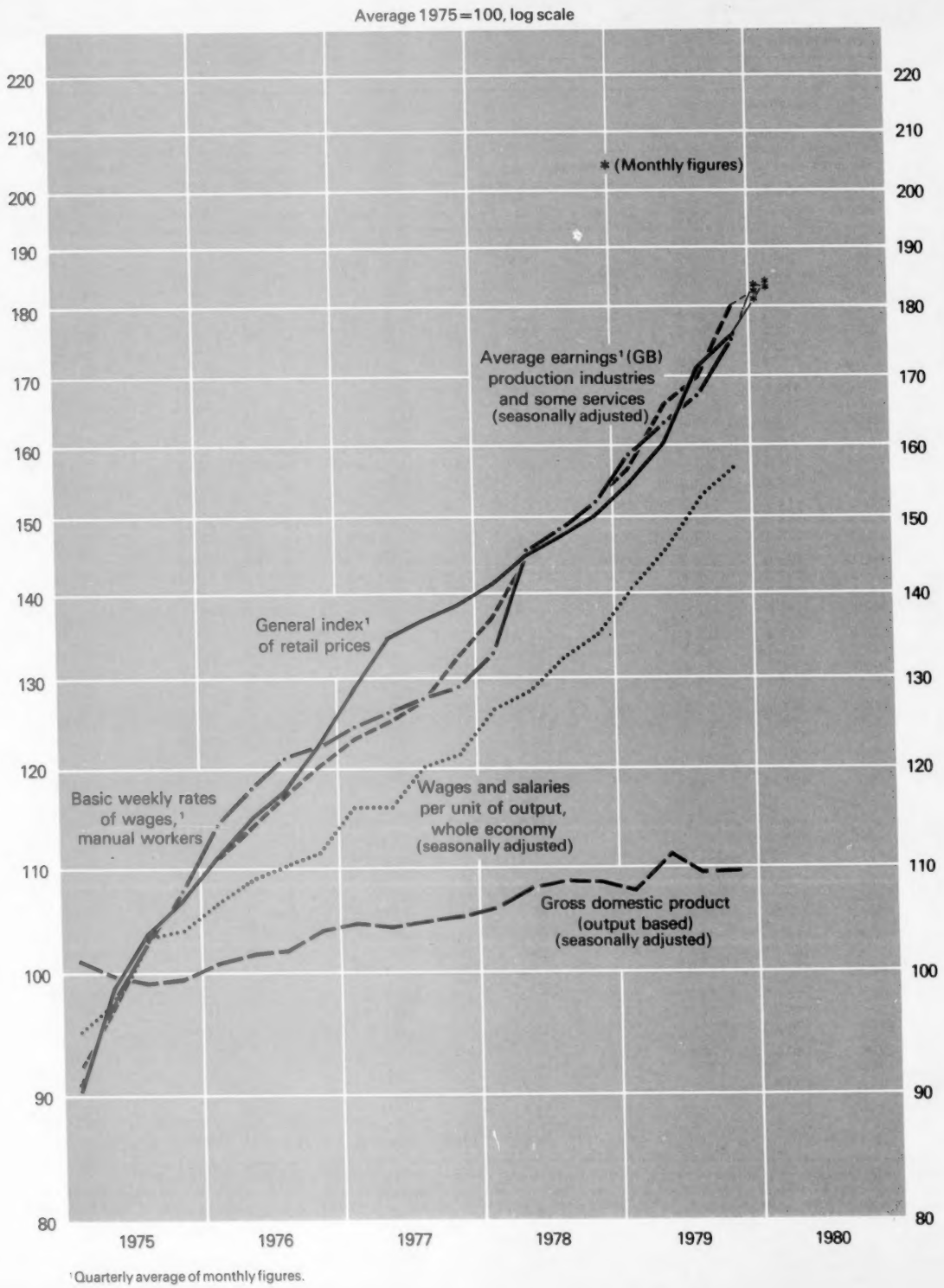
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted				Seasonally adjusted					
	31 July 1972 =100[1]		January 1976 =100		January 1970 =100				1975 =100	
	Basic weekly wage rates (manual workers)		Average earnings (GB)						Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	New series: whole economy	*Percentage increase on year earlier*	Older series: production industries and some services	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1969	71·7	72·1	..	..	95·2	*7·8*	94·9	*8·1*	45·5	46·3
1970	78·8	79·4	..	..	106·7	*12·1*	107·0	*12·7*	49·8†	52·0
1971	89·0	89·3	..	..	118·7	*11·3*	118·9	*11·2*	54·4	56·9
1972	101·3	101·5	..	..	134·0[2]	..[3]	134·2[2]	..[3]	59·1	59·3
1973	115·2	114·6	..	..	152·1	..[3]	151·5	..[3]	62·7	62·6
1974	138·0	134·3	..	..	179·1	*17·8*	177·5	*17·2*	77·4	77·3
1975	178·7	174·4	..	..	226·6	*26·5*	223·8	*26·1*	100·0	100·0
1976	213·2	209·0	106·0	..	261·8	*15·6*	260·7	*16·5*	109·3	113·8
1977	227·3	218·9	115·6	*9·1*	288·5	*10·2*	287·6	*10·3*	118·4	125·7
1978	259·3	258·8	130·6	*13·0*	330·2	*14·5*	329·6	*14·6*	130·9	142·1
1979	298·0†	297·5	150·9[4]	*15·5*[4]	381·7[4]	*15·6*[4]	380·9[4]	*15·6*[4]	149·4[6]	
1975 *1*	162·7	155·1	..	..	209·5	*31·6*	207·4	*31·8*	95·1	91·6
2	175·3	171·9	..	..	220·2	*27·6*	216·8	*26·6*	97·6	98·2
3	184·3	180·5	..	..	234·0	*26·4*	230·7	*25·4*	103·3	103·6
4	192·6	190·1	..	..	242·7	*21·6*	240·6	*21·8*	104·0	106·6
1976 *1*	204·2	201·5	101·0	..	250·7	*19·7*	248·9	*20·0*	106·4	109·1
2	211·5	209·0	105·2	..	258·1	*17·2*	257·6	*18·8*	109·0†	111·8
3	217·8	212·5	107·9	..	265·9	*13·6*	265·1	*14·9*	110·2	116·0
4	219·3	213·1	110·1	..	272·7	*12·3*	271·3	*12·8*	111·4	117·5
1977 *1*	223·3	215·7	111·8	*10·7*	280·2	*11·8*	278·6	*11·9*	115·7	120·0
2	225·9	217·9	114·5	*8·8*	284·4	*10·2*	283·2	*9·9*	115·9	124·3
3	228·7	220·2	116·4	*7·9*	289·1	*8·7*	288·2	*8·7*	120·2	126·8
4	231·2	221·7	119·9	*8·9*	300·3	*10·1*	300·3	*10·7*	121·9	131·8
1978 *1*	237·8	226·1	123·1	*10·1*	310·9	*11·0*	311·6	*11·8*	126·7	135·8
2	260·6	263·9	129·9	*13·5*	327·8	*15·3*	326·9	*15·5*	128·8	140·2
3	265·8	267·9	133·2	*14·4*	335·7	*16·1*	334·5	*16·1*	132·6	142·9
4	273·0	277·5	136·4	*13·8*	346·4	*15·3*	345·4	*15·0*	135·3	149·4
1979 *1*	284·9	284·5	140·1	*13·9*	356·5	*14·7*	357·3	*14·7*	141·2	153·0
2	292·2	291·3	147·3	*13·4*	376·0	*14·7*	377·2	*15·4*	145·1	155·6
3	299·9†	296·4†	154·2[4]	*15·8*[4]	385·5[4]	*14·9*[4]	380·9[4]	*13·9*[4]	154·5	162·9
4	315·0	318·0	161·8	*18·6*	408·9	*18·1*	408·2	*18·2*	156·7	169·8
1980 *1*	332·2	334·3								
2										
1978 *O*	270·8	276·6	135·2	*14·7*	344·5	*16·5*	343·3	*16·5*	..	147·0†
N	273·0	277·9	136·1	*13·3*	344·5	*14·4*	343·2	*13·8*	..	148·7
D	275·1	278·0	138·0	*13·3*	350·1	*15·1*	349·7	*14·8*	..	152·6
1979 *J*	283·0	283·7	135·7	*11·7*	344·7	*12·4*	345·5	*12·2*	..	153·3
F	285·2	284·7	141·1	*15·0*	355·6	*14·1*	357·3	*14·6*	..	154·1
M	286·4	285·1	143·7	*14·9*	369·3	*17·4*	369·0	*17·2*	..	151·7
A	289·2	288·6	144·3	*13·5*	368·1	*13·6*	368·0	*13·2*	..	153·5
M	291·2	291·2	146·9	*13·5*	373·2	*14·4*	375·3	*15·5*	..	155·6
J	296·2	294·0	150·9	*13·4*	386·6	*16·1*	388·2	*17·4*	..	157·7
J	298·7	294·6	155·6	*16·5*	387·8	*16·4*	386·8	*16·5*	..	160·3
A	300·2	296·7	153·3[4]	*16·4*[4]	384·8[4]	*15·0*[4]	378·3[4]	*13·4*[4]	..	162·6
S	300·8	297·7	153·6[4]	*14·4*[4]	384·1[4]	*13·2*[4]	377·6[4]	*11·7*[4]	..	165·8
O	303·1	298·4	158·1	*17·0*	401·3	*16·5*	399·2	*16·3*	..	167·4
N	319·4	327·3	162·1	*19·1*	408·2	*18·5*	408·4	*19·0*	..	170·5
D	322·5†	328·5	165·1	*19·7*	417·2	*19·2*	416·9	*19·2*	..	171·4
1980 *J*	330·9	333·5†	163·0[5]†	*20·1*[5]†	415·6[5]†	*20·6*[5]†	410·7[5]†	*18·5*[5]†	..	
F	332·7	334·5	167·3[5,6]	*18·6*[5,6]	422·8[5,6]	*18·9*[5,6]	416·6[5,6]	*16·6*[5,6]	..	
M	332·9	334·8							..	

[1] Prior to July 1972 the series was based on 31 January 1956 =100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] These figures are affected by the industrial dispute in the engineering industries.
[5] Because of the dispute in the steel industry insufficient information is available to enable a reliable index for 'metal manufacture' to be calculated for this month but the best possible estimate has been used in the compilation of the indices for 'all manufacturing' and 'all industries and services covered'.
[6] Provisional.



[1] Quarterly average of monthly figures.

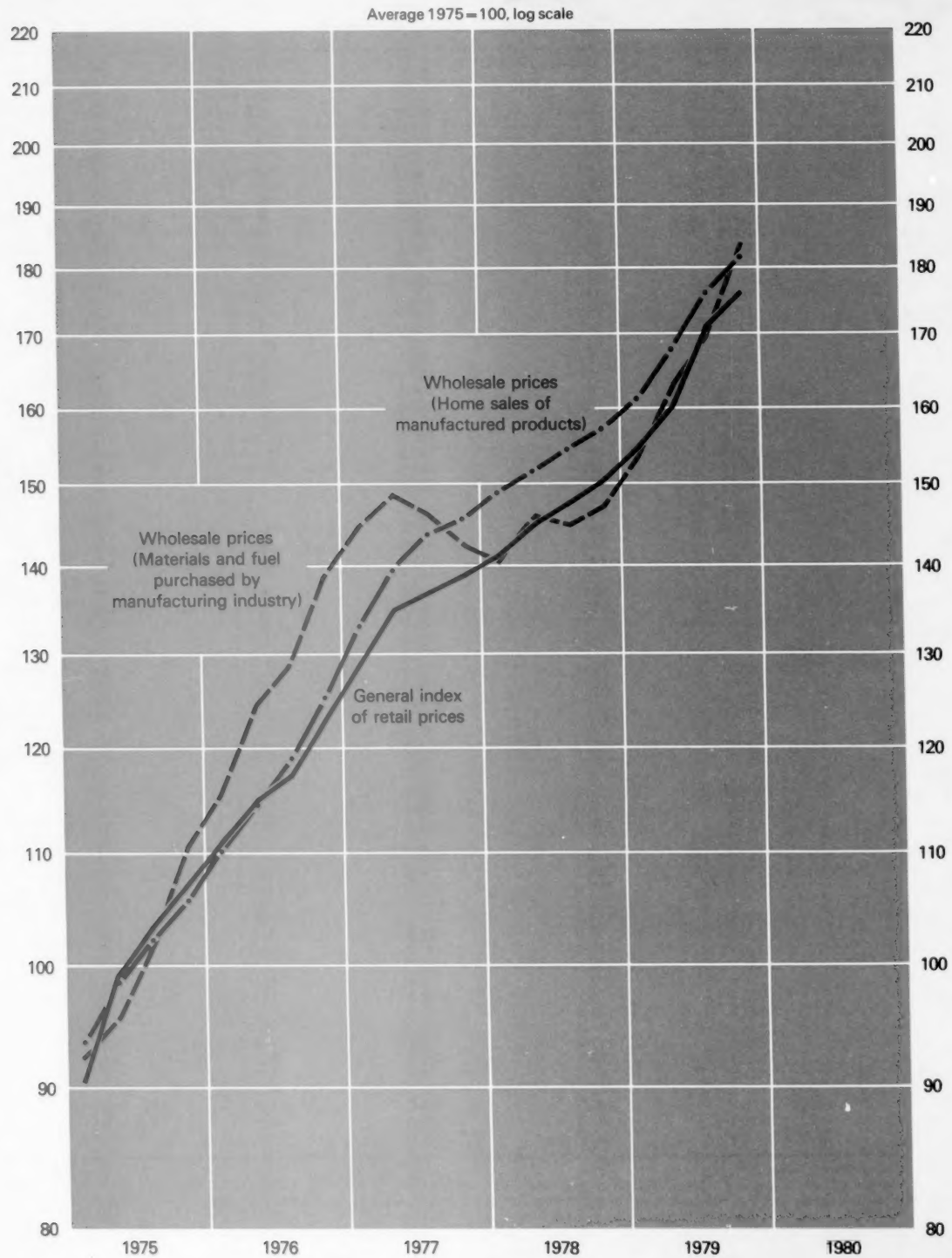
Prices

Unadjusted

Average 1975=100

	Wholesale prices index		General index of retail prices						Pensioner price index[1]		Average 1975=100 p
		Output					All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry[2]	All manufactured products: Home sales[3]	All items: Index	All items: *Percentage increase on year earlier*	Total food	Total non-food	Index	*Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1969	38·7	50·5	51·0	*5·4*	45·3	53·1	51·5	*5·2*	49·2	49·5	196
1970	40·7	54·1	54·2	*6·4*	48·5	56·3	54·8	*6·5*	52·7	52·8	184
1971	42·5	59·0	59·3	*9·4*	53·9	61·4	60·0	*9·5*	58·0	58·0	169
1972	44·4	62·1	63·6	*7·1*	58·6	65·3	64·1	*6·9*	62·4	62·3	157
1973	58·8	66·7	69·4	*9·2*	67·5	70·1	69·4	*8·3*	68·4	68·7	144
1974	86·8	81·8	80·5	*16·1*	79·6	80·8	80·5	*16·0*	79·5	79·8	124
1975	100·0	100·0	100·0	*24·2*	100·0	100·0	100·0	*24·2*	100·0	100·0	100
1976	127·0	117·3	116·5	*16·5*	120·0	115·6	115·8	*15·8*	119·1	118·8	86
1977	145·6	140·5	135·0	*15·8*	142·8	132·8	134·3	*16·0*	139·1	138·7	74
1978	144·6	153·3	146·2	*8·3*	152·9	144·3	146·5	*9·0*	150·4	149·8	68
1979	167·6	172·0	165·8	*13·4*	171·3	164·3	165·9	*13·3*	168·0	167·6	60
1975 *3*	101·8	102·1	103·4	*26·5*	102·5	103·7	103·4	*26·3*	103·1	103·3	97
4	110·5	105·7	107·0	*25·3*	106·1	107·3	106·9	*25·0*	107·4	107·3	93
1976 *1*	115·4	110·3	110·9	*22·5*	113·6	110·1	110·1	*21·3*	112·8	112·6	90
2	124·6	114·5	114·9	*16·0*	117·7	114·1	113·9	*15·1*	117·3	116·9	87
3	128·9	119·2	117·6	*13·7*	119·1	117·1	117·3	*13·4*	119·6	119·2	85
4	138·9	125·2	123·0	*15·0*	129·6	121·0	122·0	*14·0*	126·9	126·4	81
1977 *1*	144·8	133·0	129·2	*16·5*	138·6	126·4	127·7	*16·1*	132·6	132·9	77
2	148·8	139·6	134·9	*17·4*	143·3	132·5	133·6	*17·3*	138·4	138·4	74
3	146·5	143·8	137·0	*16·5*	144·1	135·0	136·8	*16·7*	141·6	140·7	73
4	142·2	145·8	139·0	*13·0*	145·0	137·3	139·3	*14·2*	143·9	142·9	72
1978 *1*	140·2	149·2	141·4	*9·5*	148·0	139·5	141·6	*10·8*	146·3	145·5	71
2	146·3	151·8	145·3	*7·6*	152·9	143·1	145·2	*8·6*	150·0	149·3	69
3	144·9	154·8	147·8	*7·9*	154·7	145·9	148·2	*8·3*	151·9	151·3	68
4	147·1	157·3	150·3	*8·1*	156·0	148·6	150·8	*8·3*	153·4	153·0	67
1979 *1*	153·4	161·6	155·0	*9·6*	164·2	152·4	154·7	*9·3*	159·2	158·5	65
2	163·3	168·0	160·7	*10·6*	168·9	158·3	160·2	*10·4*	163·4	162·9	62
3	169·9	176·4	171·4	*16·0*	173·9	170·6	171·9	*16·0*	171·8	171·7	58
4	183·9	181·8	176·2	*17·3*	178·0	175·7	176·7	*17·2*	177·6	177·2	57
1980 *1*	196·8[5]	191·3[5]	184·6	*19·1*	185·7	184·1	184·8	*19·5*	185·7	184·9	
2											
1978 *O*	145·7	156·6	149·2	*7·8*	154·2	147·7	149·8	*8·1*	..	..	67
N	147·3	157·1	150·2	*8·1*	156·0	148·6	150·9	*8·3*	..	..	67
D	148·3	158·3	151·5	*8·4*	157·9	149·6	151·8	*8·5*	..	..	66
1979 *J*	151·8	160·0	153·7	*9·3*	163·2	151·0	153·4	*9·0*	..	..	65
F	153·3	161·7	155·0	*9·6*	164·1	152·4	154·8	*9·3*	..	..	65
M	155·2	163·2	156·2	*9·8*	165·2	153·7	155·9	*9·5*	..	..	64
A	160·6	165·5	158·9	*10·1*	166·2	156·8	158·4	*9·7*	..	..	63
M	162·8	167·7	160·2	*10·3*	168·0	157·9	159·8	*10·1*	..	..	62
J	166·6	170·9	162·9	*11·4*	172·5	160·2	162·4	*11·3*	..	..	61
J	168·1	174·8	170·0	*15·6*	173·4	169·0	170·3	*15·8*	..	..	59
A	169·1	176·3	171·3	*15·8*	173·9	170·4	171·8	*15·8*	..	..	58
S	172·5	178·2	173·0	*16·5*	174·5	172·5	173·6	*16·5*	..	..	58
O	178·1	180·3	174·8	*17·2*	176·1	174·4	175·4	*17·1*	..	..	57
N	186·0	181·6	176·3	*17·4*	177·8	175·9	176·8	*17·2*	..	..	57
D	187·5	183·4	177·6	*17·2*	180·0	176·9	178·0	*17·3*	..	..	56
1980 *J*	193·5†	188·5	182·0	*18·4*	183·6	181·4	182·2	*18·8*	..	..	55
F	197·6[5]	191·5[5]†	184·6	*19·1*	185·1	184·3	184·9	*19·5*	..	..	54
M	199·4[5]	194·0[5]	187·1	*19·8*	188·4	186·6	187·4	*20·2*	..	..	53

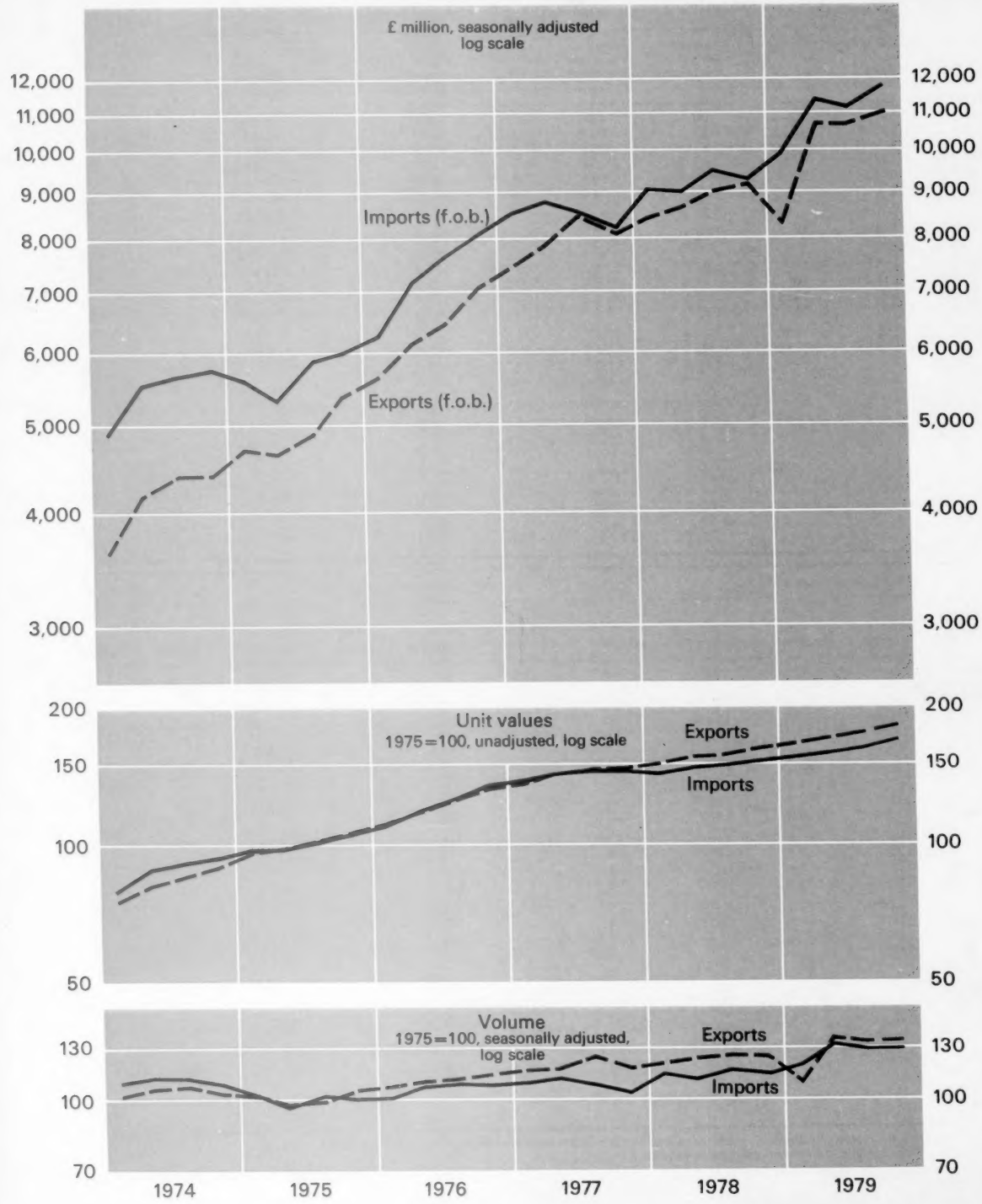
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1975 = 100, log scale
220
210
200
190
180
170
160
150
140
130
120
110
100
90
80
Wholesale prices
(Home sales of
manufactured products)
Wholesale prices
(Materials and fuel
purchased by
manufacturing industry)
General index
of retail prices
1975
1976
1977
1978
1979
1980

Visible trade

	Seasonally adjusted		Unadjusted			
	1975=100		1975=100			1975=100
	Volume indices[1]		Unit value indices[1]			
	Exports	Imports	Exports	Imports	Terms of trade[2]	World commodity prices index[3]
1969	77·8†	77·1†	47·6†	41·1†	115·9†	30
1970	81·1	81·8	50·8	42·8	118·8	31
1971	85·9	85·5	53·7	44·8	119·8	33
1972	85·6	95·2	56·8	46·9	121·1	36
1973	97·2	108·4	64·0	60·0	106·8	54
1974	104·2	109·5	81·6	87·7	93·1	99
1975	100·0	100·0	100·0	100·0	100·0	100
1976	109·9	105·9	119·6	122·1	98·0	130
1977	118·4	107·9	141·5	141·4	100·1	149
1978	121·5	112·6	155·1	147·0	105·5	138
1979	125·9	125·7	171·9	162·3	105·9	162[4]
1975 *1*	100·9	102·1	95·2	96·5	98·7	95
2	97·1	95·7	97·5	97·1	100·4	94
3	98·0	102·4	101·6	100·8	100·8	102
4	104·0	99·8	105·7	105·6	100·1	111
1976 *1*	106·4	100·4	109·6	110·3	99·3	115
2	109·8	106·6	115·8	118·9	97·4	129
3	110·2	108·8	122·8	124·9	98·3	135
4	113·1	107·6	130·3	134·2	97·1	145
1977 *1*	115·4	109·5	134·9	137·1	98·4	152
2	117·2	111·2	140·6	140·8	99·8	155
3	124·1	107·9	144·3	143·5	100·6	149
4	116·9	102·9	146·4	143·9	101·7	142
1978 *1*	120·1	113·6	149·2	142·1	105·0	136
2	121·0	109·1	153·3	146·7	104·5	143
3	122·5	115·0	157·2	148·3	106·1	138
4	122·5	112·9	160·7	151·0	106·5	138
1979 *1*	109·0	116·9	165·8	154·9	107·0	141
2	135·3	128·9	169·1	158·9	106·4	155
3	129·8	128·1	173·6	162·6	106·8	162
4	129·3	128·9	179·1	172·8	103·7	185[4]
1980 *1*	131·6	126·7	187·3	186·0	100·7	
2						
1978 *O*	122·7	110·3	159·4	150·5	105·9	136
N	121·1	114·7	161·1	150·6	106·9	138
D	123·6	113·6	161·7	151·8	106·5	137
1979 *J*	109·6	105·8	163·3	152·7	106·9	141
F	99·8	116·9	166·6	154·3	107·9	143
M	117·7	128·0	167·5	157·6	106·3	142
A	138·7	130·9	168·6	156·6	107·6	150
M	135·2	129·1	168·5	158·6	106·2	154
J	131·9	126·6	170·3	161·5	105·5	161
J	131·6	126·9	173·0	160·0	108·1	161
A	128·6	129·8	173·2	162·3	106·7	162
S	129·3	127·5	174·5	165·5	105·5	166
O	124·7	129·7	177·2	169·8	104·4	174
N	131·8	125·8	179·6	172·5	104·1	190
D	131·3	131·2	180·5	176·0	102·6	191[4]
1980 *J*	129·9	128·3	185·2	183·6	100·9	195[4]
F	136·8	129·1	187·3	186·2	100·6	204[5]
M	128·0	122·8	189·3	188·1	100·6	210[5]

[1] On a balance of payments basis.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.
[3] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[4] Provisional.
[5] Projection by the Department of Industry.


£ million, seasonally adjusted
log scale
12,000
11,000
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
Imports (f.o.b.)
Exports (f.o.b.)
Unit values
1975=100, unadjusted, log scale
Exports
Imports
200
150
100
50
Volume
1975=100, seasonally adjusted,
log scale
Exports
Imports
130
100
70
1974
1975
1976
1977
1978
1979

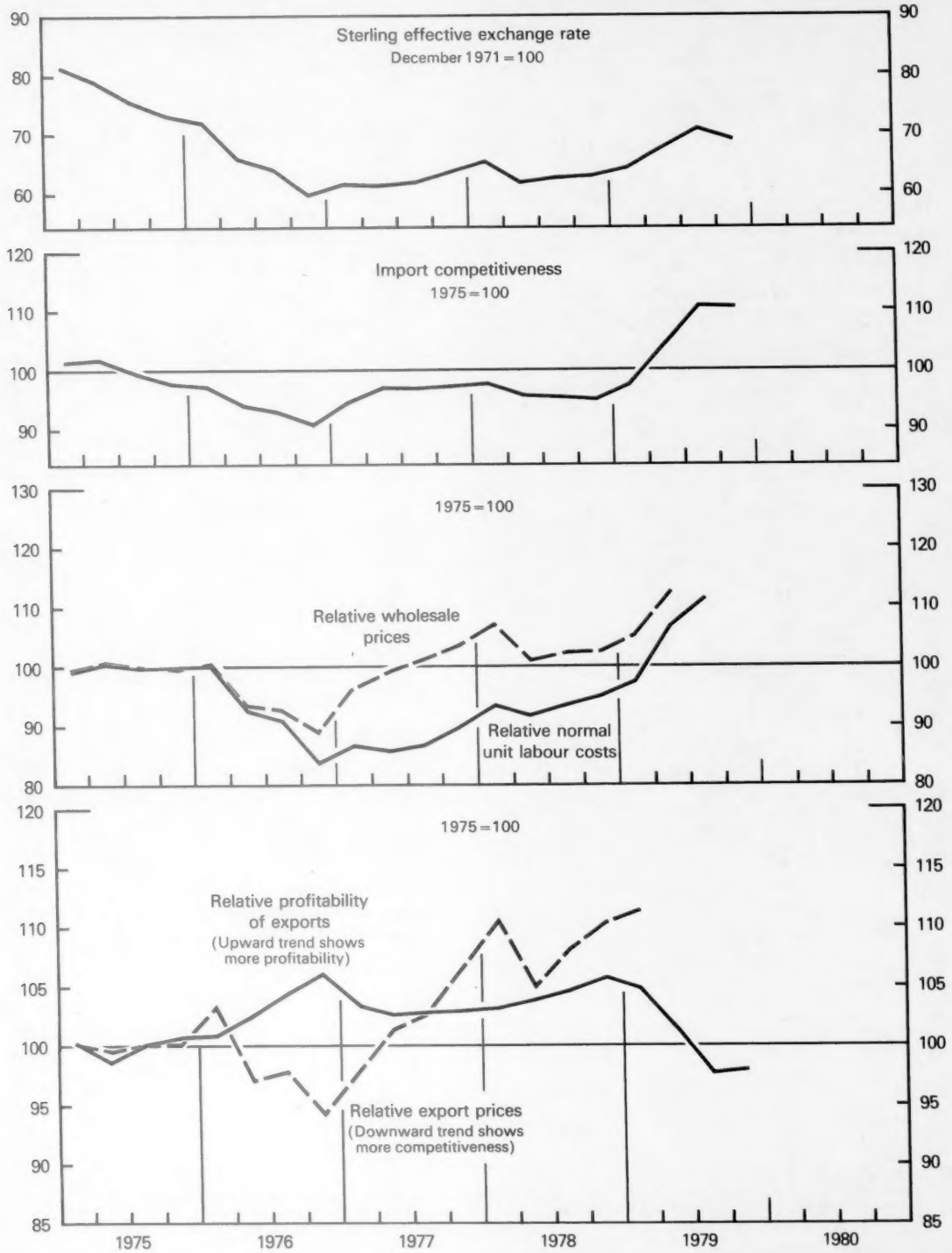
Measures of UK trade competitiveness

1975 = 100

	Summary measures[1]					Export unit value index for manufactures[3]				
	Relative export prices[2]	Relative wholesale prices[2]	Relative normal unit labour costs[2]	Import price competitiveness	Relative profitability of exports	United Kingdom	United States	Japan	France	Federal Republic of Germany
1974	95·9	95·6	94·9	100·4	98·4	85·5	86	101	82	88
1975	100·0	100·0	100·0	100·0	100·0	100·0	100	100	100	100
1976	97·1	93·8	91·9	93·7	102·5	97·4	107	99	98	102
1977	102·1	99·9	87·2	96·3	102·9	112·0	112	108	105	110
1978	108·4	103·1	93·5	95·9	104·4	136·6	121	131	121	131
1979				105·9	100·4	164·8			141	147
1977 *1*	97·6	96·1	86·8	94·4	103·3	104·8	110	110	102	109
2	101·4	98·9	85·9†	96·9	102·7	109·2	111	107	103	110
3	102·8	101·0	86·4	96·8	102·8	113·2	113	110	107	112
4	106·6	103·6	89·8	97·2	102·9	120·7	116	115	109	117
1978 *1*	110·7	107·1	93·8	97·8	103·1	131·5	117	118	113	125
2	104·7†	100·8	91·5	95·7	103·8	128·5	118	134	119†	125
3	108·1	102·2	93·6	95·3	104·7	139·1	121	142	126	131
4	110·1	102·3	95·0	94·9	105·9	147·2	126	143	129	140
1979 *1*	111·1	105·1	97·4	97·4	104·9	152·7	134	143	134	143
2	115·0	112·6	106·6	104·4	101·2	158·9	139	141	136	140
3			111·6	111·0	97·7	173·8	141		144	148
4				110·8	97·9	174·0			149	155
	Percentage change, quarter on corresponding quarter of previous year.									
1978 *1*	*+13·4*	*+11·4*	*+ 8·1*	*+ 3·6*	*− 0·2*	*+25·5*	*+6*	*+ 7*	*+11*	*+15*
2	*+ 3·3†*	*+ 1·9*	*+ 6·5†*	*− 1·2*	*+ 1·1*	*+17·7*	*+6*	*+25*	*+16†*	*+14*
3	*+ 5·2*	*+ 1·2*	*+ 8·3*	*− 1·5*	*+ 1·8*	*+22·9*	*+7*	*+29*	*+18*	*+17*
4	*+ 3·3*	*− 1·3*	*+ 5·8*	*− 2·4*	*+ 2·9*	*+22·0*	*+9*	*+24*	*+18*	*+20*
1979 *1*	*+ 0·4*	*− 1·9*	*+ 3·8*	*− 0·4*	*+ 1·7*	*+16·1*	*+15*	*+21*	*+19*	*+14*
2	*+ 9·8*	*+11·7*	*+16·5*	*+ 9·1*	*− 2·5*	*+23·7*	*+17*	*+ 5*	*+14*	*+12*
3			*+19·2*	*+16·5*	*− 6·7*	*+24·9*	*+18*		*+14*	*+13*
4				*+16·8*	*− 7·6*	*+18·2*			*+16*	*+11*

	Wholesale price index[3]					Unit labour costs index[3]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom	United States	Japan	France	Federal Republic of Germany
1974	86·5	90·1	100·2	80·1	90·6	81	89	83	74	89
1975	100·0	100·0	100·0	100·0	100·0	100	100	100	100	100
1976	95·3	104·6	104·9	96·5	101·4	92	101	100	94	96
1977	110·8	111·2	117·8	100·6	112·8	99	108	115	100	108
1978	132·8	119·4	148·5	119·8	132·2	123	115	144	117	129
1979	164·8						123	135	132	
1977 *1*	102·9	108·4	110·6	96·1	108·8	93	106	106	94	102
2	108·3	111·0	114·8	99·0	111·1	96	107	112	98	106
3	112·6	111·9	118·5	102·0	113·6	99	108	117	102	109
4	119·4	113·3	127·1	105·3	117·9	108	110	126	106	115
1978 *1*	129·8	115·5	131·5	108·7	126·9	118	114	129	108	122†
2	125·7	118·3	141·5	115·5	127·5	116	114	137	112	127
3	135·0	120·5	159·9	124·9	132·3	124	114	155	123	129
4	140·9	123·3	161·0	130·0	142·2	134	116	156	125	139
1979 *1*	147·0	127·1	154·8	133·9	146·3	139	120	147	130	143
2	157·7	131·3	147·8	134·3	145·9	142	122	136	128[4]	136
3	177·7					163	123	134	129[4]	145
4	177·0						126	122	141[4]	
	Percentage change, quarter on corresponding quarter of previous year.									
1978 *1*	*+26·1*	*+ 6·5*	*+18·9*	*+13·1*	*+16·6*	*+27*	*+8*	*+22*	*+15*	*+20†*
2	*+16·1*	*+ 6·6*	*+23·3*	*+16·7*	*+14·8*	*+21*	*+7*	*+22*	*+14*	*+20*
3	*+19·9*	*+ 7·7*	*+34·9*	*+22·5*	*+16·5*	*+25*	*+6*	*+32*	*+21*	*+18*
4	*+18·0*	*+ 8·8*	*+26·7*	*+23·5*	*+20·6*	*+24*	*+5*	*+24*	*+18*	*+21*
1979 *1*	*+13·3*	*+10·0*	*+17·7*	*+23·2*	*+15·3*	*+18*	*+5*	*+14*	*+20*	*+17*
2	*+25·5*	*+11·0*	*+ 4·5*	*+16·3*	*+14·4*	*+22*	*+7*	*− 1*	*+14*	*+ 7*
3	*+31·6*					*+31*	*+8*	*−14*	*+ 5*	*+12*
4	*+25·6*						+9	*−22*	*+13*	

[1] The summary measures of competitiveness were described in *Economic Trends* No. 304, February 1979.
[2] Downward movements indicate greater competitiveness.
[3] All the indices are in terms of US dollars.
[4] Provisional.


Sterling effective exchange rate
December 1971 = 100
Import competitiveness
1975 = 100
1975 = 100
Relative wholesale prices
Relative normal unit labour costs
1975 = 100
Relative profitability of exports
(Upward trend shows more profitability)
Relative export prices
(Downward trend shows more competitiveness)
1975
1976
1977
1978
1979
1980

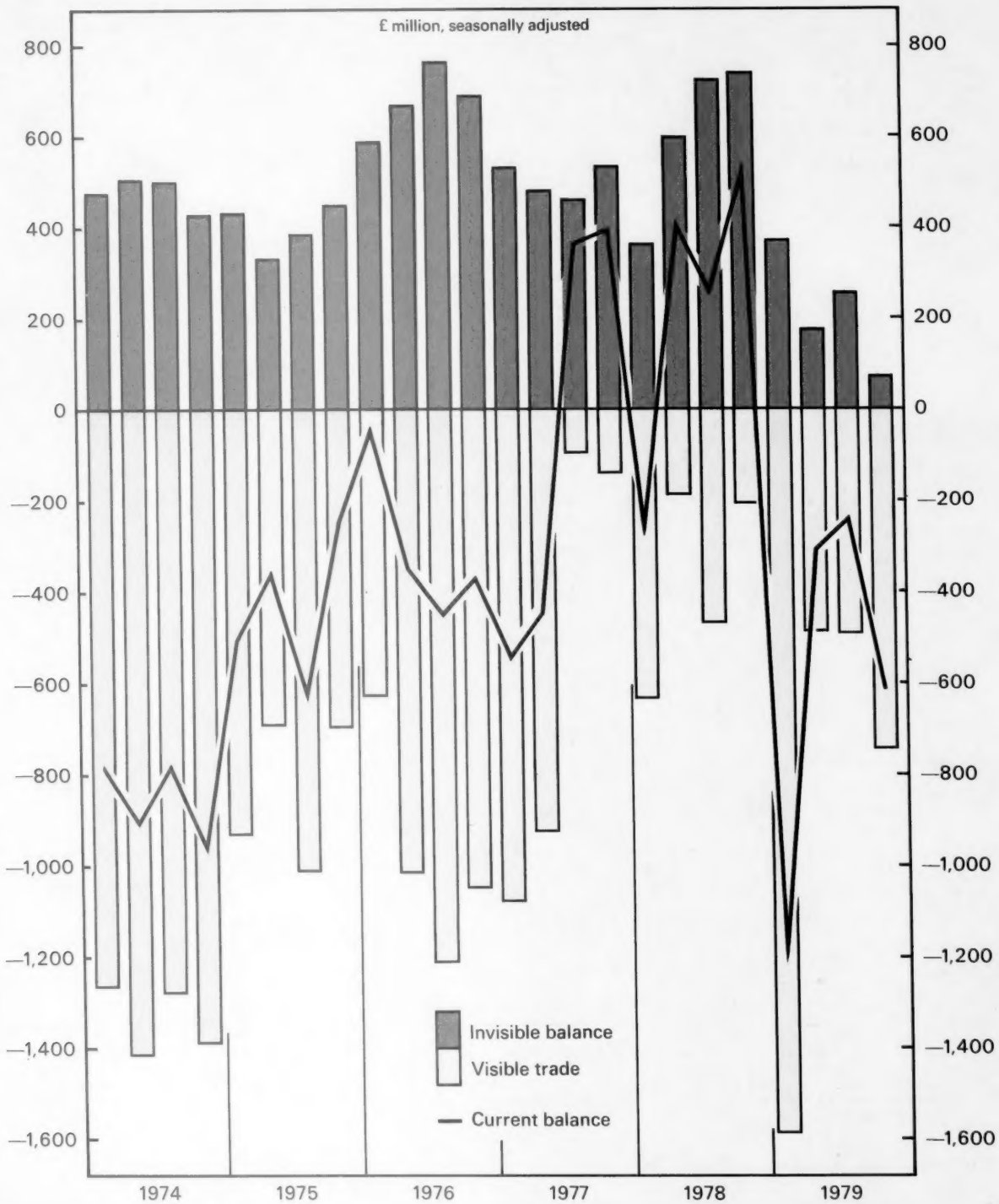
Balance of payments: current account

Seasonally adjusted

£ million

	Visible trade			Invisibles						
						Balance				
	Exports (f.o.b.) §	Imports (f.o.b.) §	Balance	Credits	Debits	Total	Services	IPD	Transfers	Current balance
1969	7,269	7,478	−209	4,387	3,706	+681	+402	+500	−221	+472
1970	8,151	8,183	−32	5,078	4,264	+814	+449	+559	−194	+782
1971	9,043	8,853	+190	5,640	4,757	+883	+584	+510	−211	+1,073
1972	9,423	10,184	−761	6,221	5,298	+923	+648	+538	−263	+162
1973	11,937	14,523	−2,586	8,386	6,888	+1,498	+696	+1,260	−458	−1,088
1974	16,395	21,745	−5,350	10,331	8,408	+1,923	+941	+1,423	−441	−3,427
1975	19,330	22,663	−3,333	11,239	9,638	+1,601	+1,349	+762	−510	−1,732
1976	25,193	29,104	−3,911	14,638	11,929	+2,709	+2,207	+1,299	−797	−1,202
1977	31,734	33,973	−2,239	16,416	14,401	+2,015	+2,960	+201	−1,146	−224
1978	35,071	36,564	−1,493	18,617	16,192	+2,425	+3,275	+1,061	−1,911	+932
1979	40,689	44,001	−3,312	21,012	20,262	+875	+3,070	+207	−2,402	−2,437
1974 *1*	3,594	4,857	−1,263	2,529	2,051	+478	+178	+408	−108	−785
2	4,099	5,517	−1,418	2,573	2,062	+511	+226	+389	−104	−907
3	4,360	5,640	−1,280	2,567	2,064	+503	+286	+316	− 99	−777
4	4,342	5,731	−1,389	2,662	2,231	+431	+251	+310	−130	−958
1975 *1*	4,660	5,591	−931	2,743	2,309	+434	+321	+187	− 74	−497
2	4,577	5,269	−692	2,717	2,383	+334	+340	+147	−153	−358
3	4,819	5,832	−1,013	2,792	2,408	+384	+326	+181	−123	−629
4	5,274	5,971	−697	2,987	2,538	+449	+362	+247	−160	−248
1976 *1*	5,608	6,237	−629	3,297	2,706	+591	+518	+266	−193	− 38
2	6,105	7,121	−1,016	3,537	2,870	+667	+514	+332	−179	−349
3	6,447	7,662	−1,215	3,807	3,044	+763	+603	+357	−197	−452
4	7,033	8,084	−1,051	3,997	3,309	+688	+572	+344	−228	−363
1977 *1*	7,428	8,508	−1,080	3,981	3,447	+534	+671	+106	−243	−546
2	7,827	8,750	−923	4,061	3,580	+481	+765	+ 1	−285	−442
3	8,423	8,520	− 97	4,171	3,708	+463	+759	+ 37	−333	+366
4	8,056	8,195	−139	4,203	3,666	+537	+765	+ 57	−285	+398
1978 *1*	8,390	9,023	−633	4,324	3,961	+363	+736	+167	−540	−270
2	8,676	8,862	−186	4,548	3,950	+598	+713	+321	−436	+412
3	8,933	9,401	−468	4,821	4,097	+724	+893	+341	−510	+256
4	9,072	9,278	−206	4,924	4,184	+740	+933	+232	−425	+534
1979 *1*	8,373	9,961	−1,588	4,878	4,505	+373	+674	+211	−512	−1,215
2	10,658	11,144	−486	5,116	4,940	+176	+732	+ 17	−573	−310
3	10,641	11,134	−493	5,451	5,195	+255	+852	+ 57	−654	−238
4	11,017	11,762	−745	5,567	5,622	+ 71	+812	− 78	−663	−674
1978 *O*	3,013	3,015	− 2	..	..	+247[1]	..	..	..	+245
N	2,980	3,155	−175	..	..	+246[1]	..	..	..	+ 71
D	3,079	3,108	− 29	..	..	+247[1]	..	..	..	+218
1979 *J*	2,740	2,926	−186	..	..	+124[1]	..	..	..	− 62
F	2,577	3,323	−746	..	..	+125[1]	..	..	..	−621
M	3,056	3,712	−656	..	..	+124[1]	..	..	..	−532
A	3,609	3,754	−145	..	..	+ 59[1]	..	..	..	− 86
M	3,535	3,718	−183	..	..	+ 58[1]	..	..	..	−125
J	3,514	3,672	−158	..	..	+ 59[1]	..	..	..	− 99
J	3,575	3,631	− 56	..	..	+ 85[1]	..	..	..	+ 29
A	3,517	3,743	−226	..	..	+ 85[1]	..	..	..	−141
S	3,549	3,760	−211	..	..	+ 85[1]	..	..	..	−126
O	3,484	3,902	−418	..	..	+ 24[1]	..	..	..	−394
N	3,760	3,835	− 75	..	..	+ 23[1]	..	..	..	− 52
D	3,773	4,025	−252	..	..	+ 24[1]	..	..	..	−228
1980 *J*	3,879	4,200	−321	..	..	+ 50[2]	..	..	..	−271
F	4,133	4,359	−226			+ 50[2]				−176
M	3,835	4,011	−176			+ 50[2]				−126

[1] One third of the appropriate calendar quarter's estimate; monthly figures of invisibles are not available.
[2] These figures are projections and are subject to revision as the relevant statistical information becomes available.

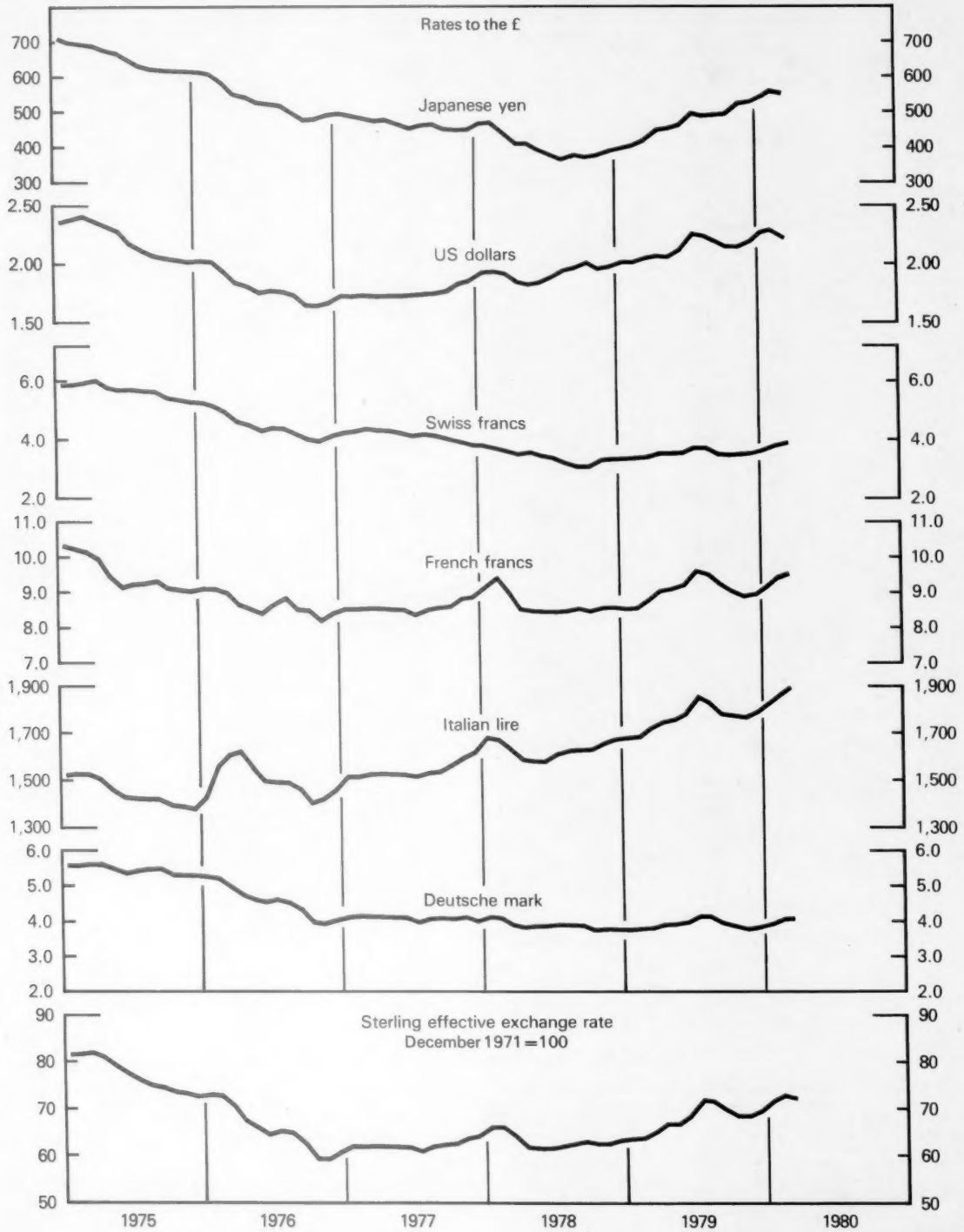

£ million, seasonally adjusted
800
600
400
200
0
—200
—400
—600
—800
—1,000
—1,200
—1,400
—1,600
Invisible balance
Visible trade
Current balance
1974
1975
1976
1977
1978
1979

Sterling exchange rates and UK official reserves

	Sterling exchange rate against major currencies[1]						$ million	Dec 1971 =100
	Japanese yen	US dollars	Swiss francs	French francs	Italian lire	Deutsche-marks	UK official reserves[2] (at end of period)	Sterling effective exchange rate
1969	..	2·390	10·308	12·43	1,499	9·379	2,528	99·9
1970	857·8	2·396	10·327	13·24	1,502	8·736	2,827	98·9
1971	844·6	2·444	10·069	13·46	1,511	8·530	6,582	98·8
1972	752·3	2·502	9·554	12·62	1,460	7·975	5,646	95·2
1973	664·6	2·453	7·758	10·90	1,426	6·540	6,476	86·3
1974	682·7	2·340	6·965	11·25	1,522	6·049	6,789	83·6
1975	658·1	2·220	5·723	9·50	1,447	5·447	5,429	77·2
1976	535·4	1·805	4·521	8·61	1,497	4·552	4,129	65·4
1977	467·7	1·746	4·189	8·57	1,540	4·050	20,557	62·1
1978	402·7	1·920	3·423	8·64	1,628	3·850	15,694	63·0
1979	465·6	2·122	3·525	9·03	1,762	3·887	22,538	67·8
1975 *3*	634·5	2·130*	5·674	9·26	1,415	5·428	5,859	75·2
4	620·1	2·044	5·414	9·03	1,387	5·304	5,429	73·0
1976 *1*	603·6	1·998	5·151	9·04	1,530	5·142	5,905	72·0
2	539·8	1·805	4·504	8·49	1,554	4·619	5,312	65·8
3	514·0	1·766	4·380	8·67	1,483	4·473	5,158	64·1
4	484·8	1·651	4·038	8·23	1,424	3·977	4,129	59·6
1977 *1*	488·7	1·714	4·324	8·53	1,514	4·107	9,618	61·8
2	473·0	1·719	4·315	8·51	1,523	4·059	11,572	61·6
3	461·8	1·735	4·160	8·49	1,532	4·005	17,171	61·8
4	447·4	1·813	3·962	8·76	1,592	4·032	20,557	63·3
1978 *1*	458·3	1·928	3·720	9·17	1,662	4·000	20,320	65·4
2	404·6	1·835	3·516	8·45	1,583	3·809	16,542	61·5
3	372·2	1·932	3·241	8·46	1,617	3·875	16,511	62·4
4	377·2	1·984	3·222	8·51	1,649	3·718	15,694	62·7
1979 *1*	406·3	2·016	3·375	8·61	1,691	3·740	21,947	64·0
2	453·1	2·081	3·565	9·11	1,762	3·944	22,070	67·4
3	488·6	2·234	3·657	9·46	1,825	4·059	22,692	71·0
4	513·7	2·157	3·505	8·94	1,771	3·810	22,538	68·8
1980 *1*	548·5	2·254	3·740	9·34	1,857	3·995		72·2
2								
1978 *O*	368·6	2·007	3·080	8·45	1,628	3·693	15,971	62·5
N	375·8	1·960	3·276	8·54	1,651	3·732	15,669	62·5
D	388·8	1·984	3·325	8·57	1,671	3·731	15,694	63·2
1979 *J*	396·4	2·006	3·348	8·52	1,677	3·708	16,258	63·5
F	401·6	2·004	3·357	8·56	1,683	3·720	16,617	63·7
M	420·5	2·038	3·420	8·73	1,714	3·790	21,947	65·0
A	447·9	2·073	3·555	9·02	1,748	3·926	21,467	66·9
M	449·6	2·058	3·554	9·08	1,752	3·926	21,532	66·9
J	461·3	2·112	3·585	9·21	1,785	3·977	22,070	68·3
J	493·7	2·260	3·721	9·60	1,854	4·122	23,439	71·9
A	487·4	2·238	3·708	9·52	1,833	4·095	23,245	71·4
S	489·2	2·200	3·532	9·24	1,785	3·950	22,692	69·8
O	493·3	2·145	3·491	9·00	1,770	3·836	22,318	68·4
N	522·5	2·133	3·508	8·87	1,760	3·781	22,237	68·4
D	528·0	2·198	3·517	8·94	1,785	3·813	22,538	69·7
1980 *J*	538·8	2·266	3·612	9·15	1,823	3·907	23,441	71·4
F	558·9	2·290	3·751	9·37	1,854	4·001	23,670	72·8
M	548·2	2·206	3·865	9·51	1,896	4·081	26,693	72·3

[1] Average of daily Telegraphic Transfer rates in London.

[2] Apart from transactions, the level of official reserves has been affected, since 1970, by changes in the valuation of gold, Special Drawing Rights and convertible currencies. In addition, from July 1972, the official reserves were redefined to include the reserve position in the IMF. Substantial valuation changes at March 1979 and March 1980 increased the level of reserves by $4,493 million and $3,089 million respectively. These valuation changes are described in detail in the footnotes of Table 17 of the quarterly balance of payments articles in the March, June, September and December issues of *Economic Trends*.


Rates to the £
Japanese yen
US dollars
Swiss francs
French francs
Italian lire
Deutsche mark
Sterling effective exchange rate
December 1971 = 100
1975
1976
1977
1978
1979
1980

Money stock

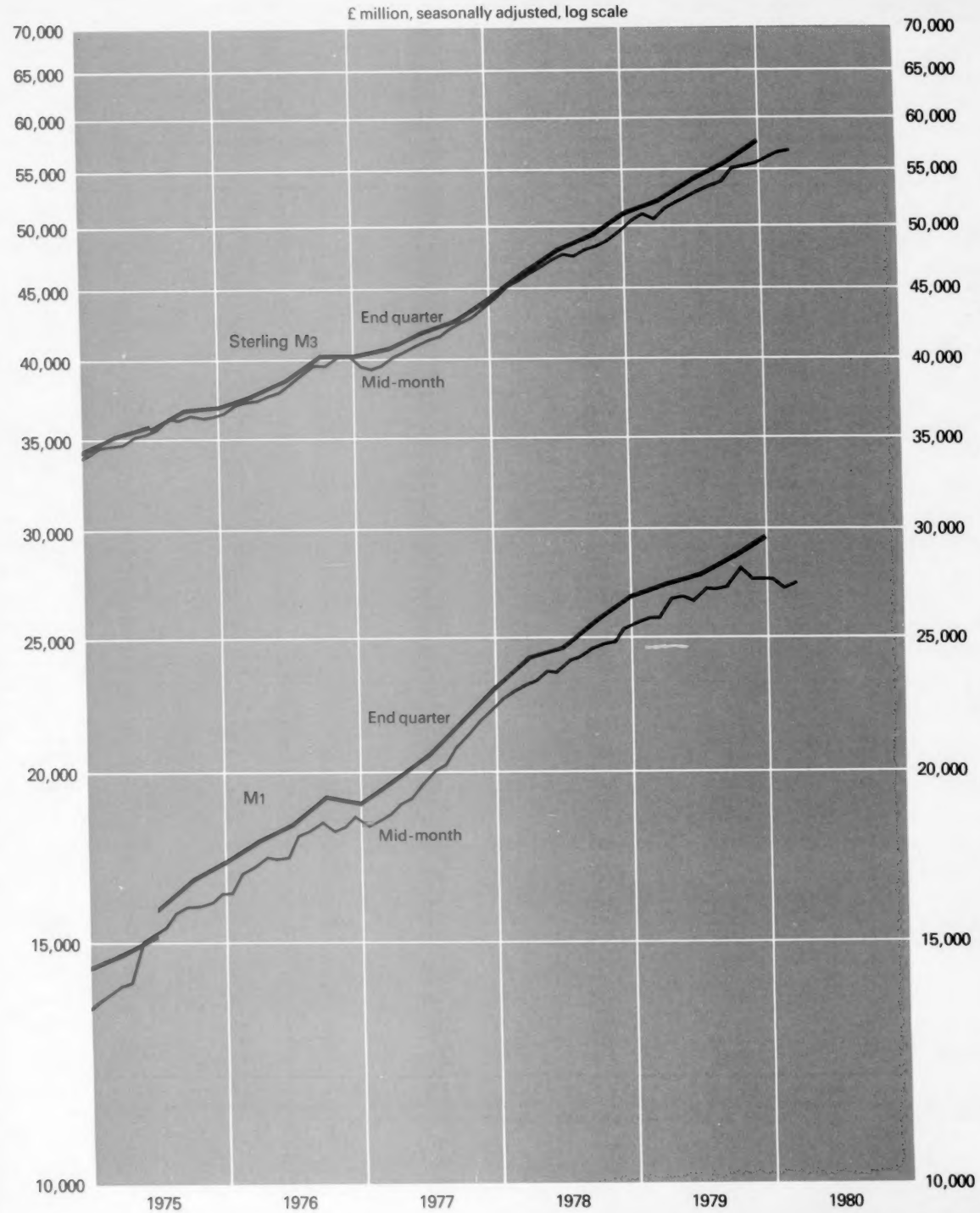
£ million: amounts outstanding

	M_1			Sterling M_3			M_3			Velocity of circulation[1]		
	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change*	M_1	Sterling M_3	M_3
At end period												
1974 *1*	12,690	−334	*−2·6*	32,480	1,065	*+3·4*	34,260	1,406	*+4·3*	5·888	2·370	2·257
2	13,100	409	*+3·2*	32,690	214	*+0·7*	34,870	621	*+1·8*	6·339	2·509	2·365
3	13,450	357	*+2·7*	33,430	745	*+2·3*	35,930	1,065	*+3·1*	6·629	2·662	2·486
4	14,470	1,005	*+7·5*	34,670	1,231	*+3·7*	37,070	1,129	*+3·1*	6·472	2·654	2·476
1975 *1*	14,780	288	*+2·0*	35,220	520	*+1·5*	37,740	641	*+1·7*	6·520	2·729	2·549
2[2]	15,170	386	*+2·6*	35,730	505	*+1·4*	38,080	337	*+0·9*	6·813	2·911	2·724
	15,900			35,710			38,060					
3	16,690	793	*+5·0*	36,900	1,195	*+3·3*	39,690	1,632	*+4·3*	6·654	2·953	2·757
4[3]	17,220	551	*+3·3*	36,980	111	*+0·3*	39,950	293	*+0·7*	6·666	3·060	2·838
1976 *1*	17,880	698	*+4·1*	37,680	702	*+1·9*	40,830	873	*+2·2*	6·738	3·168	2·928
2	18,340	470	*+2·6*	38,690	1,019	*+2·7*	42,260	1,435	*+3·5*	6·675	3·166	2·910
3	19,180	842	*+4·6*	40,320	1,648	*+4·3*	44,350	2,117	*+5·0*	6·727	3·194	2·914
4	18,950	−223	*−1·2*	40,280	− 1	—	44,250	− 66	*−0·1*	6·924	3·276	2·980
1977 *1*	19,700	759	*+4·0*	40,810	566	*+1·4*	45,090	877	*+2·0*	6·902	3·290	2·986
2	20,520	821	*+4·2*	41,950	1,149	*+2·8*	46,620	1,538	*+3·4*	6·924	3·365	3·036
3	21,840	1,325	*+6·5*	42,760	804	*+1·9*	47,170	551	*+1·2*	6·866	3·434	3·101
4[4]	23,090	1,271	*+5·8*	44,340	1,595	*+3·7*	48,610	1,454	*+3·1*	6·646	3·428	3·118
1978 *1*	24,240	1,157	*+5·0*	46,730	2,405	*+5·4*	51,260	2,662	*+5·5*	6·520	3·388	3·090
2	24,660	431	*+1·8*	48,090	1,374	*+2·9*	53,320	2,072	*+4·0*	6·517	3·361	3·047
3	25,790	1,124	*+4·6*	49,260	1,172	*+2·4*	54,190	870	*+1·6*	6·573	3·406	3·084
4	26,940	1,159	*+4·5*	51,080	1,816	*+3·7*	55,980	1,794	*+3·3*	6·417	3·372	3·071
1979 *1*	27,430	493	*+1·8*	52,150	1,058	*+2·1*	56,840	849	*+1·5*	6·202	3·266	2·989
2	27,800	362	*+1·3*	54,210	2,049	*+3·9*	59,350	2,490	*+4·4*	6·542	3·397	3·109
3	28,630	834	*+3·0*	55,720	1,511	*+2·8*	60,540	1,198	*+2·0*	6·683	3·431	3·144
4	29,660	1,040	*+3·6*	57,900	2,183	*+3·9*	63,210	2,670	*+4·4*			
At mid-month												
1978 *J*	24,210	548	*+2·3*	47,880	666	*+1·4*	52,790	491	*+0·9*	..	..	..
A	24,370	151	*+0·6*	47,670	−223	*−0·5*	52,170	−638	*−1·2*	..	..	..
S	24,620	249	*+1·0*	48,140	460	*+1·0*	52,670	486	*+0·9*	..	..	..
O	24,860	236	*+1·0*	48,490	334	*+0·7*	53,130	449	*+0·9*	..	..	..
N	24,900	43	*+0·2*	48,800	306	*+0·6*	53,750	615	*+1·2*	..	..	..
D	25,490	585	*+2·3*	49,520	710	*+1·5*	54,370	612	*+1·1*	..	..	..
1979 *J*	25,730	214	*+0·8*	50,570	997	*+2·0*	55,250	834	*+1·5*	..	..	..
F	25,930	194	*+0·8*	51,080	506	*+1·0*	55,940	676	*+1·2*	..	..	..
M	25,960	35	*+0·1*	50,640	−443	*−0·9*	55,210	−723	*−1·3*	..	..	..
A	26,750	786	*+3·0*	51,360	721	*+1·4*	55,910	696	*+1·3*	..		
M	26,790	39	*+0·1*	52,090	729	*+1·4*	56,930	1,016	*+1·8*			
J	26,570	−213	*−0·8*	52,690	601	*+1·2*	57,760	830	*+1·5*	..	..	..
J	27,210	641	*+2·4*	53,110	426	*+0·8*	57,770	15	—	..	..	..
A	27,200	− 3	—	53,670	563	*+1·1*	58,250	494	*+0·9*	..	..	..
S	27,310	120	*+0·4*	53,990	346	*+0·6*	58,620	393	*+0·7*	..	..	..
O	28,210	921	*+3·4*	55,020	1,066	*+2·0*	59,920	1,336	*+2·3*	..	..	..
N	27,630	−575	*−2·0*	55,370	371	*+0·7*	60,930	1,027	*+1·7*	..	..	..
D	27,650	26	*0·1*	55,620	258	*+0·5*	60,780	143	*−0·2*	..	..	..
1980 *J*	27,620	2	—	56,180	611	*+1·1*	61,040	310	*+0·5*			
F	27,180	−431	*−1·6*	56,700	529	*+0·9*	61,800	772	*+1·3*			
M	27,490	317	*+1·2*	56,910	225	*+0·4*	62,310	532	*+0·9*			

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/sterling M_3/M_3 seasonally adjusted.

[2] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [3] The amounts outstanding at end-December 1975 are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.

[4] From end-December 1977 the coverage of UK holders of dollar certificates of deposit has been somewhat expanded: the effect of this has been excluded from the change in M_3.


£ million, seasonally adjusted, log scale
70,000
65,000
60,000
55,000
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
Sterling M3
End quarter
Mid-month
M1
End quarter
Mid-month
1975
1976
1977
1978
1979
1980

Domestic credit expansion and changes in money stock

Seasonally adjusted[1]

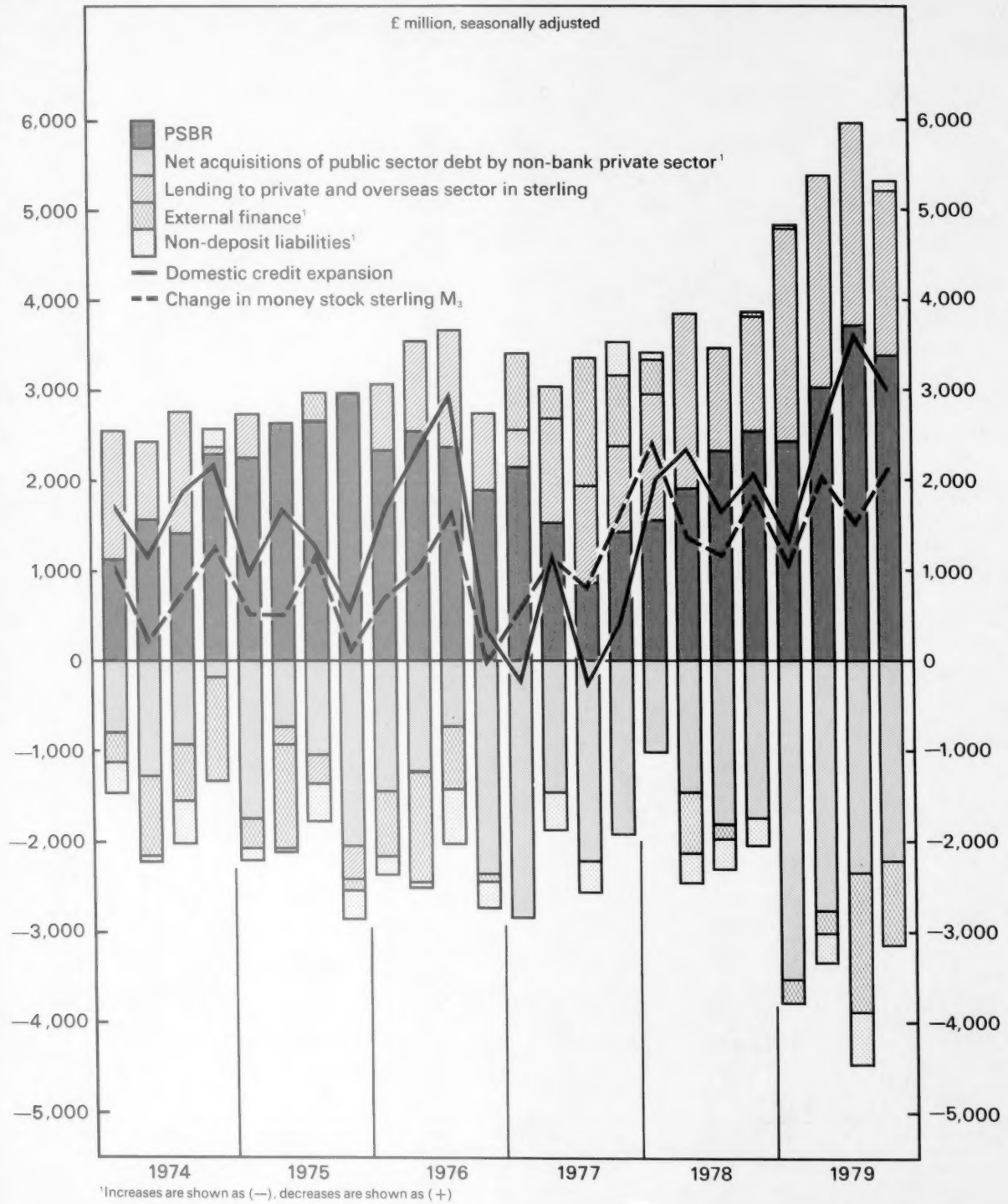
£ million

	Public sector borrowing requirement		Net acquisition of public sector debt by UK non-bank private sector		Sterling lending to UK private sector[2]	Bank lending in sterling to overseas sector	Domestic credit expansion	External and foreign currency finance	Non-deposit liabilities (net)	Money stock sterling M[3]
	Central government borrowing requirement	Other public sector contribution	Other public sector debt	Central government debt						
	1	2	3	4	5	6	7	8	9	10
1975	8,345	2,139	205	5,344	−371	− 34	4,530	1,301	898	2,331
1976	6,786	2,344	296	5,470	3,264	647	7,275	2,744	1,166	3,565
1977	4,469	1,525	549	7,907	3,188	405	1,131	−3,395	396	4,130
1978	8,371	− 23	−318	6,342†	4,698	1,062	8,085	425	887	6,772
1979	10,393	2,230†	1,029†	9,796	8,556	− 14	10,340	3,025	732	6,583
1975 *1*	1,330	916	80	1,660	603	−124	985	342	123	520
2	1,894	728	227	496	−349	148	1,698	1,154	39	505
3	2,686	− 40	−195	1,227	−347	21	1,288	−327	420	1,195
4	2,435	535	93	1,961	−278	− 79	559	132	316	111
1976 *1*	1,807	515	20	1,419	419	343	1,645	715	228	702
2	1,734	808	186	1,048	733	261	2,302	1,226	57	1,019
3	1,980	389	58	665	1,104	199	2,949	695	606	1,648
4	1,265	632	32	2,338	1,011	−156	382	108	275	− 1
1977 *1*	1,583	562	480	2,366	493	− 84	−292	−858	—	566
2	1,094	454	293	1,180	966	182	1,223	−335	409	1,149
3	235	643	− 72	2,280	901	159	−270	−1,427	353	804
4	1,557	−134	−152	2,081	812	148	454	−775	−366	1,595
1978 *1*	1,367	190	−144	1,155	758	646†	1,950†	−373	− 82	2,405
2	2,157	−244	−343	1,809	1,641	294	2,382	667	341	1,374
3	2,393	− 73	312	1,499	1,106	47	1,662	175	315	1,172
4	2,454	104	−143	1,879†	1,188	75	2,085	− 44	313	1,816
1979 *1*	1,056	1,407	520	2,994	2,419	− 80	1,288	284	− 54	1,058
2	3,274	−240	− 86	2,845	2,362	− 18	2,619	252	318	2,049
3	2,853	870	433	1,903	2,161	99	3,647	1,560	576	1,511
4	3,210	193†	162†	2,054	1,832	− 15	3,004	929	−108	2,183
Month ended										
1978 Oct. 18	368		− 60	228	398†	− 16	462	179	− 51	334
Nov. 15	890		−186	791	441	−115	239	−177	110	306
Dec. 13	756		401	681	475	137	1,088	317	61	710
1979 Jan. 17	593		151	500	481	63	788	−192	− 16	996
Feb. 21	648		338	921	1,129	−146	1,048	312	230	506
Mar. 21	− 30		295	1,322	733	3	−321	86	36	−443
April 18	1,464		133	1,346	535	30	816	87	8	721
May 16	853		−215	521	808	70	995	132	134	729
June 20	1,250		133	1,441	1,029	− 75	896	16	279	601
July 18	786		119	861	386	− 10	420	− 7	—	427
Aug. 15	281		202	243	693	112	1,045	354	128	563
Sept. 19	1,647		129	960	157	− 29	944	548	50	346
Oct. 17	937		−622	− 38	1,223	− 29	1,547	368	113	1,066
Nov. 21	731		13	482	729	103	1,094	746	− 23	371
Dec. 12	1,470		−137	1,224	163	− 22	250	−153	145	258
1980 Jan. 16	154		471	1,340†	1,304†	188	777†	90†	76†	611
Feb. 20	22		−66†	127	584	92	505	61	−85	529
Mar. 19	732		−144	242	165	96	607	235	147	225

Relationship between columns: 7 = 1 + 2 − 3 − 4 + 5 + 6; 10 = 7 − 8 − 9 (The figures combined in the bracket are column 2 *less* column 3).

[1] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[2] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.



[1]Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government									
	Receipts[2]		Expenditure							
			Goods and services		Current and capital transfers					
	Taxes, national insurance, etc. contributions	Trading income, rent, interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending, etc.[3]	Total	Public expenditure[4]
1975	38,522	4,435	23,050	5,065	14,366	1,193	4,212	3,756	51,642	47,736
1976	44,697	5,263	26,683	5,482	17,006	1,425	5,395	2,365	58,356	53,974
1977	50,994	5,924	29,153	4,936	19,523	1,494	6,372	249	61,727	56,770
1978	56,492	6,392	32,817	4,673†	23,138	1,976	7,221	1,652	71,477	65,822†
1979	68,092	7,192	37,593	5,345	27,049	1,881	8,819	3,487†	84,174	77,542
1976 *1*	10,937	1,357	6,420	1,693	4,127	385	1,522	939	15,086	13,827
2	10,724	1,216	6,614	1,207	4,247	309	1,004	500	13,881	12,940
3	11,105	1,408	6,728	1,299	4,212	324	1,629	741	14,933	13,708
4	11,931	1,282	6,921	1,283	4,420	407	1,240	185	14,456	13,499
1977 *1*	12,711	1,545	7,017	1,566	4,745	464	1,832	431	16,055	14,677
2	12,362	1,380	7,250	1,028	4,836	351	1,313	−178	14,600	13,590
3	12,842	1,697	7,362	1,167	4,859	317	1,747	88	15,540	13,973
4	13,079	1,302	7,524	1,175	5,083	362	1,480	−92	15,532	14,530
1978 *1*	14,100	1,697	7,929	1,412	5,665	676	1,996	66	17,744	16,179
2	13,481	1,498	8,044	956†	5,679	396	1,455	436	16,966†	15,791†
3	13,865	1,681	8,240	1,163	5,754	434	1,949	719	18,259	16,618
4	15,046	1,516	8,604	1,142	6,040	470	1,821	431	18,508	17,234
1979 *1*	16,062	1,907	8,782	1,529	6,481	487	2,329	559	20,167	18,417
2	16,201	1,687	9,118	1,043	6,749	456	1,876	662	19,904	18,329
3	17,356	1,906	9,669	1,377	6,543	452	2,514	1,063	21,618	19,789
4	18,473	1,692	10,024	1,396	7,276	486	2,100	1,203†	22,485	21,007

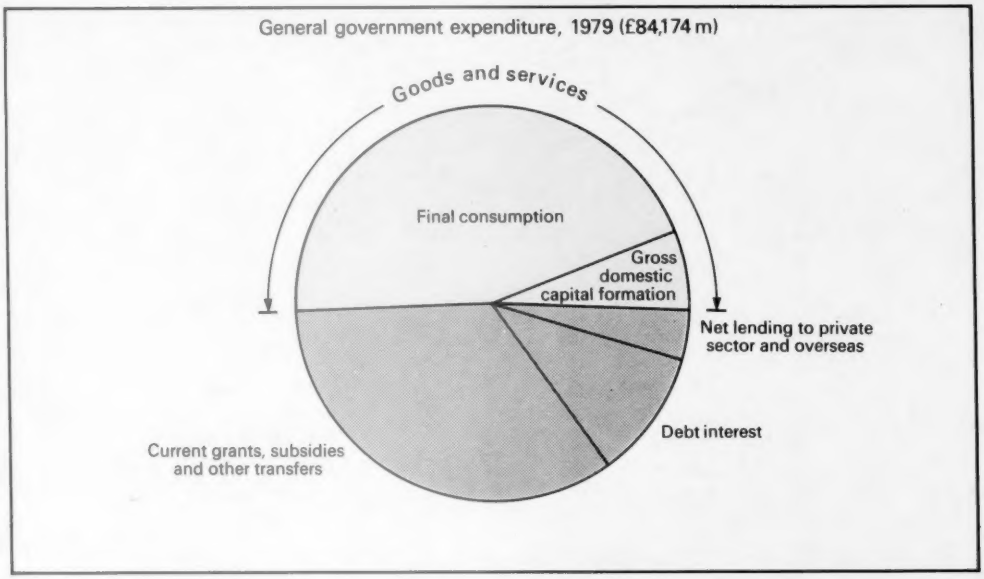
[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).
[4] As defined in the public expenditure White Paper (Cmnd. 7841). A reconciliation with the total of general government expenditure is shown in Table 2·4 of *Financial Statistics*.

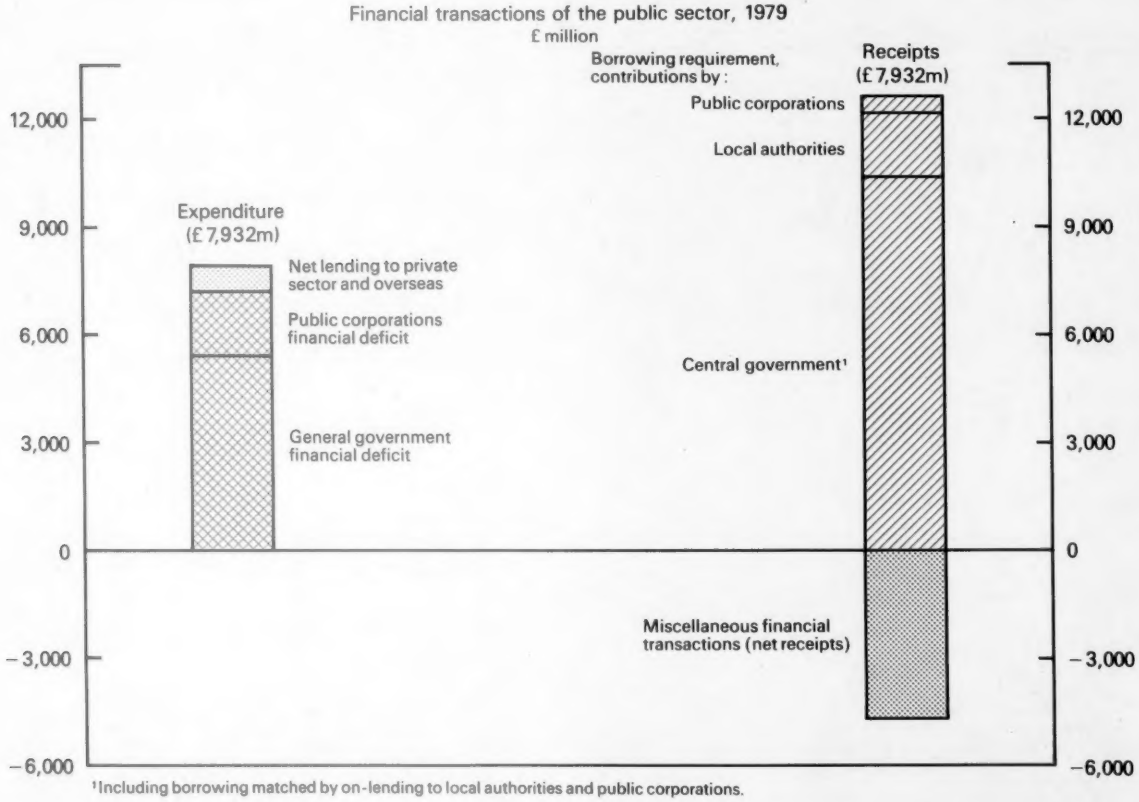
Financial transactions of the public sector

£ million

	Financial deficit[1]					Receipts				
							Borrowing requirement			
								Contributions by:		
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations	Seasonally adjusted total [5§]
1976	8,141†	6,031	2,110†	1,286	9,427†	297†	9,130	6,786	1,103	1,241	9,130
1977	5,732	4,560	1,172	150	5,882	−112	5,994	4,469	183	1,342	5,994
1978	8,048	6,941†	1,107	423	8,471	123	8,348	8,371	659	−682	8,348
1979	7,222	5,403	1,819	710†	7,932	−4,691	12,623†	10,393	1,759	471†	12,623†
1976 *3*	2,436†	1,679	757†	288	2,724†	461†	2,263	1,655	279	329	2,369
4	1,168	1,058	110	204	1,372	−966	2,338	1,513	362	463	1,897
1977 *1*	1,598	1,368	230	315	1,913	913	1,000	572	463	−35	2,143†
2	1,230	1,036	194	12	1,242	−842	2,084	1,803	−256	537	1,561
3	1,632	913	719	20	1,652	709	943	210	269	464	848
4	1,272	1,243	29	−197	1,075	−892	1,967	1,884	−293	376	1,442
1978 *1*	2,073	1,881	192	−116	1,957	1,354	603	534	709	−640	1,548
2	1,852	1,551†	301	140	1,992	−225	2,217	2,659	−136	−306	1,936
3	2,574	1,994	580	281	2,855	558	2,297	2,259	154	−116	2,273
4	1,549	1,515	34	118	1,667	−1,564	3,231	2,919	− 68	380	2,591
1979 *1*	2,100	1,639	461	220	2,320	783	1,537	247	1,002	288	2,453
2	1,715	1,354	361	228	1,943	−1,401	3,344	3,797	−254	−199	3,056
3	2,256	1,293	963	120†	2,376	−1,471	3,847	2,870	673	304	3,676
4	1,151	1,117	34	142	1,293	−2,602	3,895†	3,479	338	78†	3,438

[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2. [3] Including cash expenditure on company securities (net).
[4] Including borrowing matched by on-lending to local authorities and public corporations. [5] Calendar year constrained.


General government expenditure, 1979 (£84,174 m)
Goods and services
Final consumption
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Current grants, subsidies and other transfers



¹Including borrowing matched by on-lending to local authorities and public corporations.

Sector financial accounts

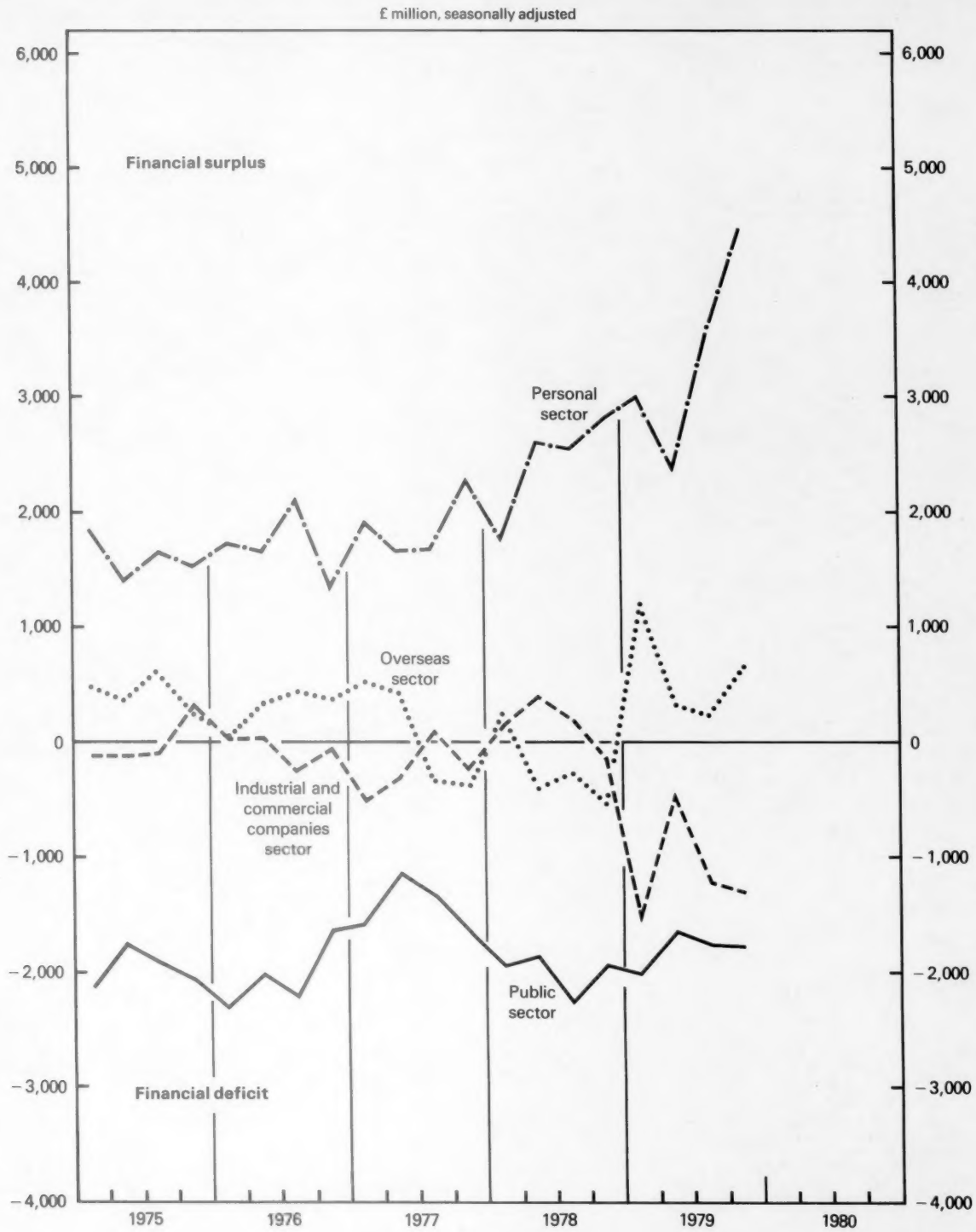
Seasonally adjusted

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1974	2,722	110	7,553	1,096	−193	1,458	8,309†	332	12,069
1975	2,131	− 34	9,976	1,073	− 65	1,698	8,873	404	9,278
1976	2,887	−204	10,824†	1,734	− 97	2,034	12,637	358	13,233†
1977	4,334	−232	9,834	1,863	−101	2,355	13,558	257	14,792
1978	2,516	−573	9,991	2,733	− 65	3,222	15,060	362	14,816
1979	4,500	−291	11,431	3,596	−193	3,821†	16,652	338	21,498
1975 *1*	254	− 30	2,355	217	53	361	2,125	69	2,312
2	597	39	2,409	221	− 40	412	1,942	92	2,151
3	613	− 24	2,496	288	− 40	479	2,155	126	2,372
4	667	− 19	2,716	347	− 38	446	2,651	117	2,443
1976 *1*	532	− 9	2,831†	304	− 5	446	2,695	66	2,742†
2	807	− 48	2,768	319	− 31	494	2,965	106	3,029
3	500	− 54	2,647	505	− 31	553	3,210	93	3,539
4	1,048	− 93	2,578	606	− 30	541	3,767	93	3,923
1977 *1*	1,126	− 83	2,626	490	10	492	3,591	44	4,139
2	1,295	− 78	2,356	453	− 38	502	3,497	96	3,909
3	1,202	− 52	2,481	515	− 37	714	3,280	58	3,238
4	711	− 19	2,371	405	− 36	647	3,190	59	3,506
1978 *1*	692	−256	2,399	455	103	844	3,408	98	3,358
2	805	−122	2,534	668	− 54	854	4,007	92	3,701
3	348	−103	2,536	785	− 57	719	3,910	85	3,804
4	671	− 92	2,522	825	− 57	805	3,735	87	3,953
1979 *1*	889	− 60	2,852	919	− 15	838†	3,799	48	5,380
2	1,066	−123	2,583	817	− 59	1,142	4,780	121	5,354
3	1,361	− 64	3,066	984	− 64	862	4,262	105	5,584
4	1,184	− 44	2,930	876	− 55	979	3,811	64	5,180

	Personal sector			Net acquisition of financial assets[4]					
	Savings[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[3]	Residual error[6]
1974	8,522†	−324	3,158	−4,721	−555	−3,428†	5,040†	3,502	162†
1975	10,389	−305	3,645	−7,879	−690	− 1	6,439	1,732	399
1976	11,493	− 57	4,602†	−8,141†	−397	−238	6,834	1,202	740
1977	12,844	76	5,502	−5,732	−593	−977	7,418	224	−340
1978	15,939	276	6,530	−8,048	−554	606	9,685	−932	−757
1979	21,040	146	7,859	−7,222	−418†	−4,508	13,327	2,437	−3,616
1975 *1*	2,781	− 92	823	−2,131	− 91	−118	1,866	497	− 23
2	2,388	− 91	889	−1,773	−231	−117	1,408	358	355
3	2,647	− 62	945	−1,907	−231	− 91	1,640	629	− 40
4	2,573	− 60	968	−2,068	−137	325	1,525	248	107
1976 *1*	2,810	− 52	1,042	−2,308†	−147	19†	1,716	38	682†
2	2,766	− 27	1,071†	−2,009	−206	42	1,668†	349	156
3	3,322	− 8	1,206	−2,201	− 79	−236	2,108	452	− 44
4	2,595	30	1,283	−1,623	35	− 63	1,342	363	− 54
1977 *1*	3,247	29	1,378	−1,583	8	−504	1,898	546	−365
2	2,952	20	1,327	−1,139	− 87	−316	1,645	442	−545
3	2,977	31	1,331	−1,331	−236	100	1,677	−366	156
4	3,668	− 4	1,466	−1,679	−278	−257	2,198	−398	414
1978 *1*	3,185	55	1,493	−1,963	−286	148	1,747	270	84
2	4,108	84	1,588	−1,851	−240	398	2,604	−412	−499
3	4,181	75	1,725	−2,291	9	191	2,531	−256	−184
4	4,465	62	1,724	−1,943	− 37	−131	2,803	−534	−158
1979 *1*	4,660	27	1,676	−2,023	66†	−1,533	3,011	1,215	−736
2	4,192	61	1,887	−1,640	−384	− 453	2,366	310	−199
3	5,446	23	1,965	−1,769	58	−1,217	3,504	238	−814
4	6,742	35	2,331	−1,790	−158	−1,305	4,446	674	−1,867

[1] Excluding financial transactions in writing-off debt.
[2] Before providing for depreciation stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
[4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress.
[5] Equals, apart from the change in sign, the current balance of payments ,*plus* capital transfers.
[6] The residual error in the national income accounts.

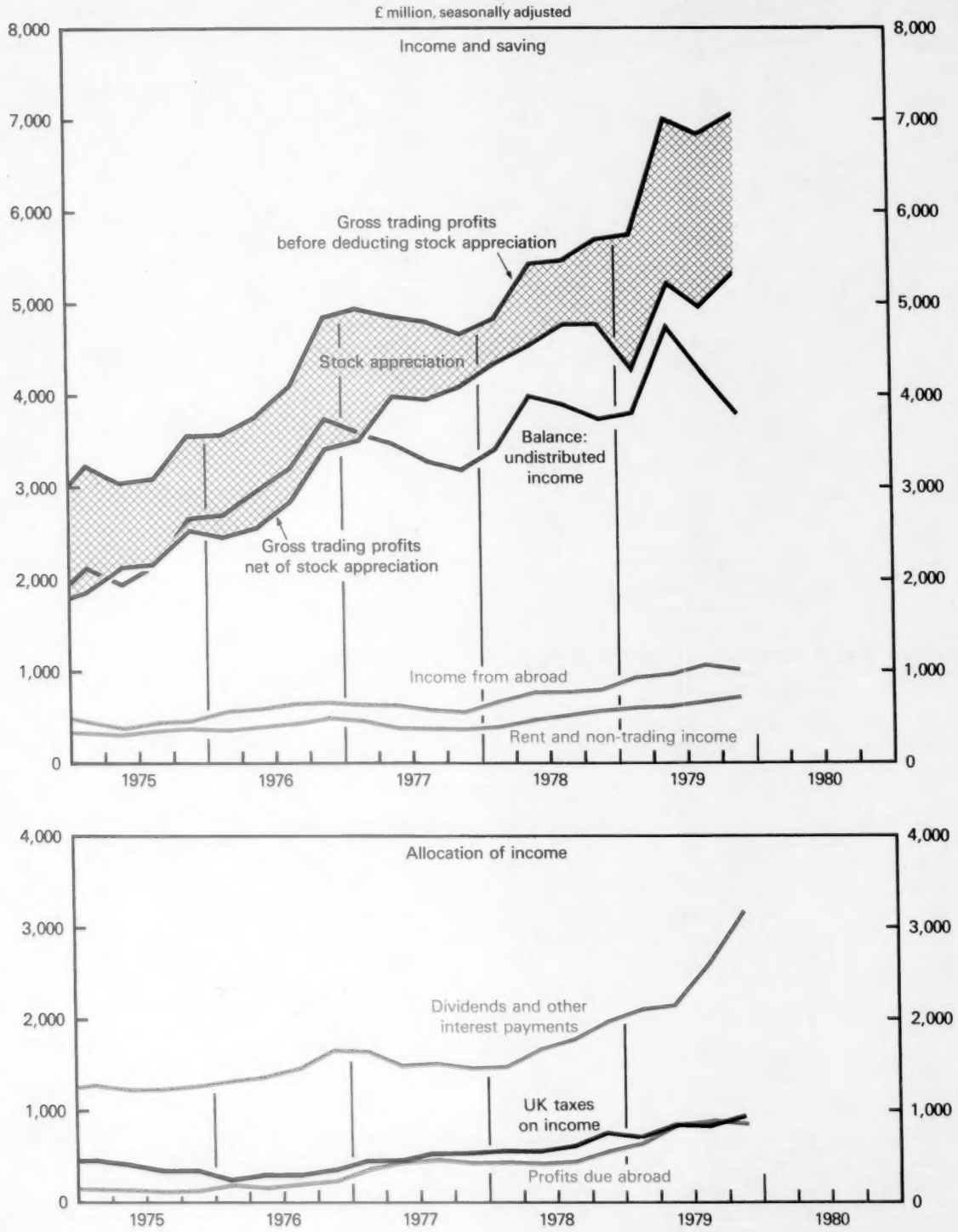

£ million, seasonally adjusted
6,000
5,000
4,000
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
1975
1976
1977
1978
1979
1980

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

	Income							Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1969	7,521	5,579	576	6,155	504	165	862	1,554	1,223	756	259	1,026	3,459	815
1970	7,994†	5,688†	863	6,551†	514	151	929	1,378	1,307	799	322	1,330	3,657†	1,037
1971	8,852	6,555	842	7,397	518	135	937	1,530	1,330	792	397	1,143	4,452	1,331
1972	10,321	7,592	1,075	8,667	628	196	1,026	1,524	1,529	969	549	1,036	5,683	1,589
1973	13,800	8,550	2,290	10,840	1,021	501	1,939	1,638	2,394	1,806	665	1,156	7,947	2,357
1974	15,664	7,508	4,706	12,214	1,307	697	2,143	1,469	3,376	2,716	525	1,985	8,309	4,008
1975	15,846	8,647	4,262	12,909	1,296	621	1,641	1,608	3,352	2,674	447	1,566	8,873	3,451
1976	20,268	11,307	4,999	16,306	1,603	814	2,359	1,852	3,875	3,156	744	1,160	12,637	4,111
1977	23,170	15,551	3,770	19,321	1,534	654	2,315	2,242	3,784	3,058	1,631	1,955	13,558	3,879
1978	26,161	18,421	3,014†	21,435	1,859	854	2,867	2,695	4,143	3,464	1,769	2,494	15,060	3,597
1979	33,128	19,807	6,880	26,687	2,544	1,286	3,897	3,954	6,052	5,449	3,179†	3,291	16,652	4,380
1974 *1*	3,895†	1,369†	1,582	2,951†	338	192	606	398	800	647	170	341	2,186†	943
2	3,919	1,860	1,180	3,040	320	170	559	382	820	657	126	538	2,053	1,073
3	3,901	2,188	890	3,878	328	173	495	356	864	691	103	651	1,927	1,018
4	3,949	2,091	1,054	3,145	321	162	483	333	892	721	126	455	2,143	974
1975 *1*	3,985	1,864	1,391	3,255	310	151	420	399	879	711	125	457	2,125	929
2	3,686	2,106	915	3,021	295	131	370	400	810	641	122	412	1,942	879
3	3,810	2,157	916	3,073	330	158	407	401	811	637	95	348	2,155	881
4	4,365	2,520	1,040	3,560	361	181	444	408	852	685	105	349	2,651	762
1976 *1*	4,444	2,470	1,105	3,575	342	159	527	448	858	672	196	247	2,695	974
2	4,732	2,566	1,221	3,787	377	181	568	453	887	709	135	292	2,965	984
3	5,132	2,855	1,247	4,102	405	204	625	467	972	787	193	290	3,210	1,045
4	5,960	3,416	1,426	4,842	479	270	639	484	1,158	988	220	331	3,767	1,108
1977 *1*	6,023	3,503	1,465	4,968	445	230	610	518	1,110	917	347	457	3,591	993
2	5,852	3,995	881	4,876	372	156	604	535	937	757	427	456	3,497	1,004
3	5,734	3,962	842	4,804	367	145	563	587	908	730	439	520	3,280	910
4	5,561	4,091	582	4,673	350	123	538	602	829	654	418	522	3,190	972
1978 *1*	5,843	4,334	459	4,835	375	141	633	633	824	637	411	567	3,408	848
2	6,601	4,544	885	5,429	449	203	723	660	976	808	402	556	4,007	905
3	6,705	4,771	705	5,476	491	235	738	656	1,115	941	416	608	3,910	940
4	7,012	4,772	923	5,695	544	275	773	746	1,228	1,078	540	763	3,735	904
1979 *1*	7,221	4,247	1,492	5,739	581	292	901	715	1,383	1,213	623	701	3,799	1,080
2	8,573	5,237	1,792	7,029	597	294	947	744	1,388	1,227	825	836	4,780	1,120
3	8,565	4,946	1,903	6,849	666	340	1,050	1,032	1,562	1,416	888	821	4,262	1,139
4	8,769	5,377	1,693	7,070	700	360	999	1,463	1,719	1,593	843	933	3,811	1,041
	Percentage change, quarter on corresponding quarter of previous year													
1978 *1*	*− 3·0*	*+23·7*	*−65·8*	*− 2·7*	*−15·7*	*− 38·7*	*+ 3·8*	*+22·2*	*−25·8*	*−30·5*	*+ 18·4*	*+24·1*	*− 5·1*	*−14·6*
2	*+12·8*	*+13·8*	*+ 0·1*	*+11·3*	*+20·7*	*+ 30·1*	*+19·7*	*+23·4*	*+ 4·2*	*+ 6·7*	*− 5·9*	*+21·9*	*+14·6*	*− 9·9*
3	*+16·9*	*+20·4*	*−16·3*	*+14·0*	*+33·8*	*+ 62·1*	*+31·1*	*+11·8*	*+22·8*	*+28·9*	*− 5·2*	*+16·9*	*+19·2*	*+ 3·3*
4	*+26·1*	*+16·7*	*+58·6*	*+21·9*	*+55·4*	*+123·6*	*+43·7*	*+23·9*	*+48·1*	*+64·8*	*+ 29·2*	*+46·2*	*+17·1*	*− 7·0*
1979 *1*	*+23·6*	*− 2·1*	*+197·8*	*+18·7*	*+54·9*	*+107·1*	*+42·3*	*+13·0*	*+67·8*	*+90·4*	*+ 51·6*	*+23·6*	*+11·5*	*+27·4*
2	*+29·9*	*+15·2*	*+102·5*	*+29·5*	*+33·0*	*+ 44·8*	*+31·0*	*+12·7*	*+42·2*	*+51·9*	*+105·2*	*+50·4*	*+19·3*	*+23·8*
3	*+27·7*	*+ 3·6*	*+169·9*	*+25·1*	*+35·6*	*+ 44·7*	*+42·3*	*+57·3*	*+40·1*	*+50·5*	*+113·5*	*+35·0*	*+ 9·0*	*+21·2*
4	*+25·1*	*+12·7*	*+ 83·4*	*+24·1*	*+28·7*	*+ 30·9*	*+29·2*	*+96·1*	*+40·0*	*+47·8*	*+ 56·1*	*+22·3*	*+ 2·0*	*+15·2*

[1] Before providing for depreciation and stock appreciation.
[2] These items are included solely as memorandum items.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] The residual of all companies payments and financial companies and institutions accruals of taxes on income. Mainly payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Before providing for depreciation, stock appreciation and additions to reserves.


£ million, seasonally adjusted
Income and saving
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
Gross trading profits
before deducting stock appreciation
Stock appreciation
Balance:
undistributed
income
Gross trading profits
net of stock appreciation
Income from abroad
Rent and non-trading income
1975
1976
1977
1978
1979
1980
Allocation of income
4,000
3,000
2,000
1,000
0
Dividends and other
interest payments
UK taxes
on income
Profits due abroad
1975
1976
1977
1978
1979
1980

Sources and uses of capital funds of industrial and commercial companies

£ million

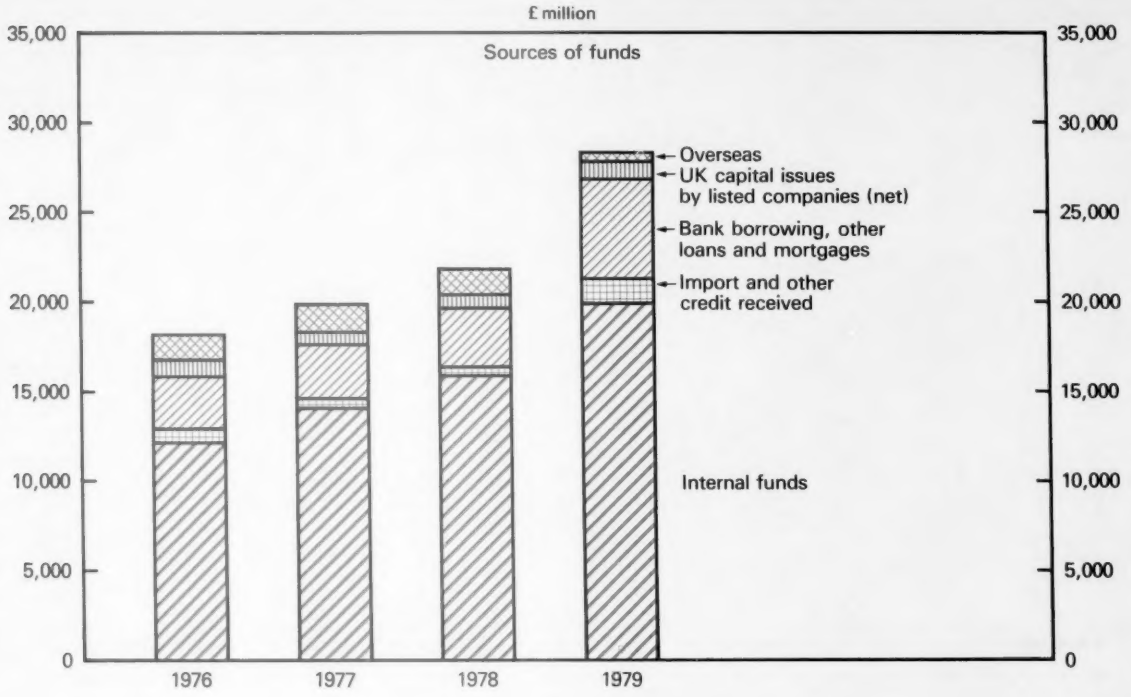
	Sources of funds						Uses of funds					
									Acquisition of financial assets			
	Total	Internal funds[1]	Import and other credit received	Bank borrowing, other loans and mortgages[2]	UK capital issues by listed companies (net)	Overseas	Gross domestic fixed capital formation	Increase in book value of stocks and work in progress	Liquid assets[3]	Investment abroad	Other	Unidentified items (residual)
1974	15,410†	8,500†	693	4,513†	70	1,634	6,057	6,012	145	825	1,256	1,115†
1975	12,913	9,283	272	949	1,233	1,176	6,770	2,508	1,810	190	1,432	203
1976	18,160	12,105	889	2,896	827	1,443	8,014	5,219†	1,887	713	2,749	— 422
1977	19,834	14,031	558	3,085	662	1,498	9,731†	5,061	2,956	712	2,211	— 837
1978	21,789	15,899	549	3,236	766	1,339	11,133	3,683	2,818	1,663	1,736	756
1979	28,308	19,940	1,415†	5,535	901	517†	11,950	9,548	797†	1,955	2,042	2,016
1976 *1*	3,757†	2,885	221	—156†	228	579	1,638	936†	146	121	695	221†
2	4,594	2,703	242	951	436	262	1,948	1,019	720	204	962	— 259
3	3,964	2,628	54	794	140	348	2,189	1,407	701	134	68	— 535
4	5,845	3,889	372	1,307	23	254	2,239	1,857	320	254	1,024	151
1977 *1*	5,400	3,785	257	749	34	575	2,012†	2,058	136	224	8	962
2	5,270	3,664	30	859	344	373	2,478	1,363	537	396	785	— 289
3	4,041	3,069	48	373	182	369	2,456	714	924	56	500	— 609
4	5,123	3,513	223	1,104	102	181	2,785	926	1,359	36	918	— 901
1978 *1*	5,559	3,864	268	670	30	727	2,580	809	438	236	— 49	1,545
2	5,597	4 172	— 6	1,043	348	40	2,786	859	826†	84	860	182
3	4,268	3,681	—179	425	268	73	2,812	859	513	448	—135	— 229
4	6,365	4,182	466	1,098	120	499	2,955	1,156	1,041	895	1,060	— 742
1979 *1*	7,155	4,385	310	1,910	213	337	2,654	2,659	—460	777	— 20	1,545
2	8,393	5,624	340	1,486	387	556	2,814	2,363	1,437	145	1,160	474
3	6,022	5,174	96	834	68	—150	3,131	2,433	—288	790	397†	— 441
4	6,738	4,757	669†	1,305	233	—226†	3,351	2,093	108	243	505	438

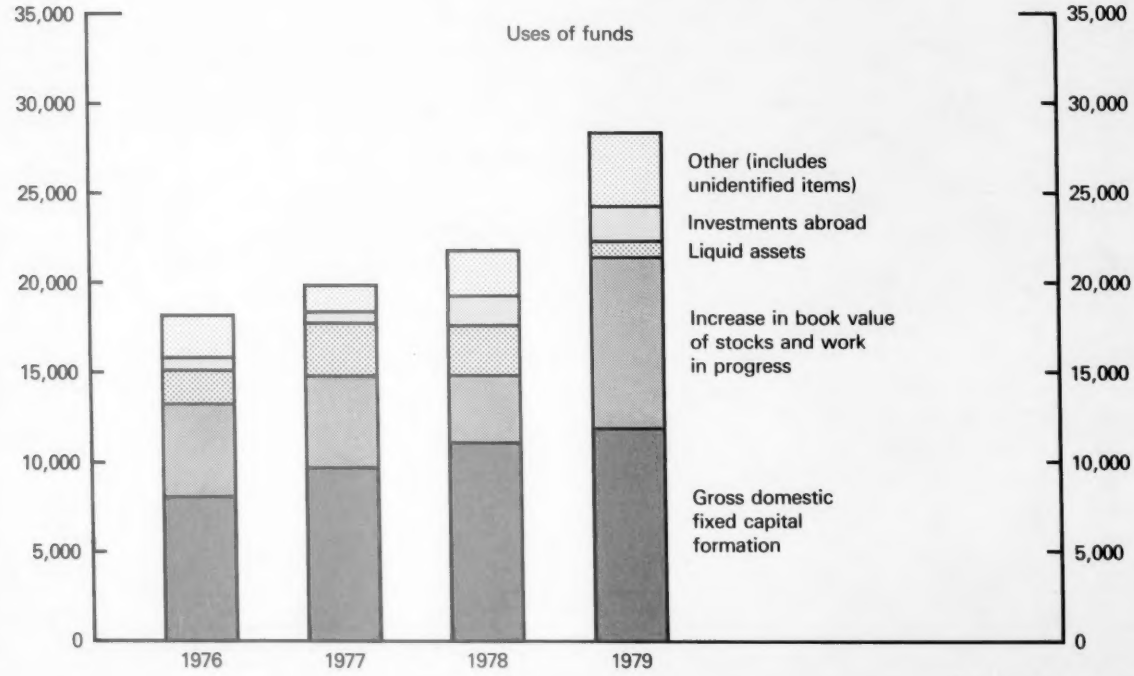
[1] Before providing for depreciation, stock appreciation and additions to reserves and adjusted for unremitted profits.
[2] After addition of 40 per cent of the excess of debit over credit transit items.
[3] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items.

Selected liquid assets of industrial and commercial companies

	Deposits with banking sector												
Amounts outstanding at end of period	Sterling certificates of deposits	Dollar certificates of deposit	Other sterling deposits[1]	Other foreign currency deposits	Deposits with building societies	Deposits with other financial institutions[2]	Market treasury bills[3]	Tax instruments[4]	British government securities[5]	Local authority temporary debt	Local authority longer-term debt	Total identified	*Bank lending*[6,7,8]
1976 *1*	240	59	7,414	1,984	222	183	551	13	216	443	277	11,602	*18,464*
2	318	95	7,825	2,013	251	193	699	8	255	425	277	12,339	*19,841*
3	309	143	8,390	2,290	273	203	420	7	257	414	282	12,988	*20,650*
4	342	179	8,520	2,126	289	210	230	7	298 / 289	579	343	13,123 / 13,114	*21,780*
1977 *1*	459	96	8,125	2,546	311	202	293	5	301	477	380	13,195	*22,047*
2	412	275	8,196	2,581	359	225	432	29	336	388	385	13,618	*22,808*
3	421	257	8,812	2,452	399	221	395	354	353	317	378	14,359	*22,997*
4	455	364	9,964	2,199	456	215	206 / 229	479	377 / 435	229	338	15,282 / 15,363	*23,459*
1978 *1*[9]	657	161	10,116	2,555	481	212	315	231 / 224	417	280	301	15,726 / 15,719	*23,853*
2[10]	599	116	10,460	3,041	461 / 331	257	230	224	437	281	290	16,406 / 16,276†	*25,220*
3	387	115	10,813	2,817	312	354	83	558	445	319	287	16,490	*25,187*
4	378	163	11,506	2,734	291	326	67	704	449	387	269	17,274	*25,974*
1979 *1*	348	145	10,779	2,441	281	299	67	1,070	523	446	261	16,660	*27,323*
2	396	318	11,440	2,624	272	319	195	1,024	593	432	256	17,869	*28,514*
3	296	317	11,350	2,434	259	294	22	967	695	557	265	17,456	*28,767*
4	58	219	11,739	2,774	247	279	118	676†	602	559	270	17,546	*29,904*

[1] After deducting 60% items in transit. [2] Before 1st quarter 1972, deposits with finance houses. [3] Including unidentified holdings by other sectors.
[4] Tax reserve certificates, tax deposit accounts and certificates of tax deposits, including holdings by financial institutions, other than building societies, which are known to be small.
[5] These estimates are derived from the Department of Industry's survey of company liquidity. [6] See Financial statistics *Explanatory handbook*, page 94.
[7] Including refinanceable export and shipbuilding credits with effect from mid-May 1972. [8] After adding 40% items in transit. [9] The break in series for tax instruments is due to a new return which identifies certain public corporation holdings which were formerly included with industrial and commercial companies holdings.
[10] The break in series of Deposits with building societies is due to new returns from building societies.


£ million
Sources of funds
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
1976
1977
1978
1979
Overseas
UK capital issues by listed companies (net)
Bank borrowing, other loans and mortgages
Import and other credit received
Internal funds


Uses of funds
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
1976
1977
1978
1979
Other (includes unidentified items)
Investments abroad
Liquid assets
Increase in book value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1975	3,379	3,096	283	122	− 373	495
1976	288	− 146	434	3,386	3,138	248
1977	2,378	1,696	682	4,711	3 492	1,219
1978	− 291	123	− 414	5,798	4,710	1,088
1979	2,131	1,546	− 585	9,487	8,544	943
1975 *1*	75	− 223	298	294	335	− 41
2[5]	1,221	1,233	− 12	149	− 90	239
3	1,755	1,755	—	− 101	− 351	250
4[4]	339	342	− 3	− 220	− 267	47
1976 *1*	− 20	− 37	17	350	416	− 66
2	− 376	− 430	54	646	727	− 81
3	901	743	158	1,248	1,096	152
4	− 20	− 225	205	945	702	243
1977 *1*	354	− 149	503	1,283	727	556
2	− 9	− 9	—	1,209	1,050	159
3	941	692	249	941	878	63
4	1,108	1,178	− 70	1,262	821	441
1978 *1*	− 195	34	− 229	860	658	202
2	−1,494	−1,254	− 240	2,119	1,644	475
3	266	326	− 60	1,507	1,188	319
4	1,137	1,022	115	1,307	1,215	92
1979 *1*	−1,339	−1,187	− 152	2,700	2,408	292
2	567	718	− 151	2,862	2,372	490
3	432	583	− 151	2,216	2,170	46
4	1,083	1,214	− 131	1,927	1,812	115

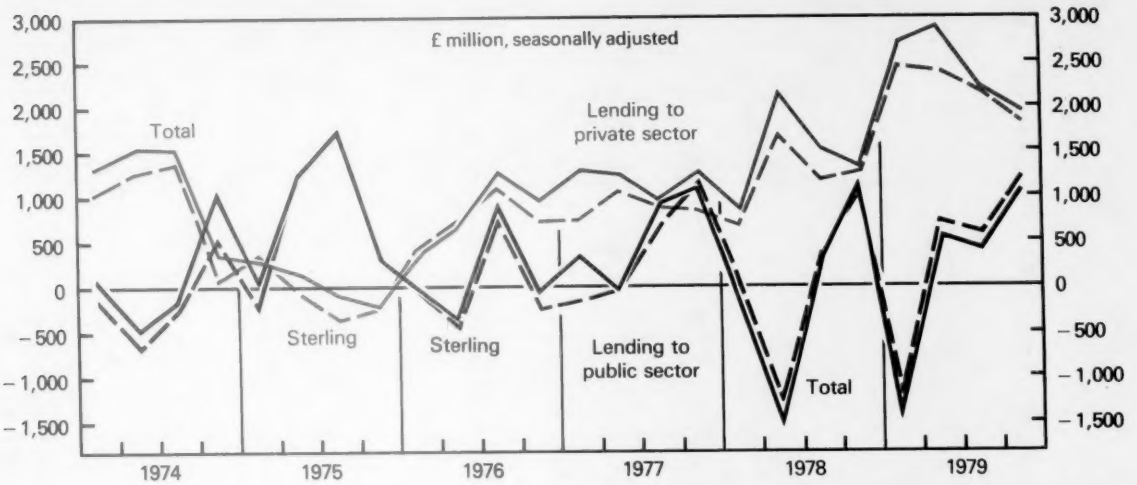
[1] UK banking sector: changes in assets. From the second quarter 1975 transactions have been entered as far as possible on a cash receipts/payments basis
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

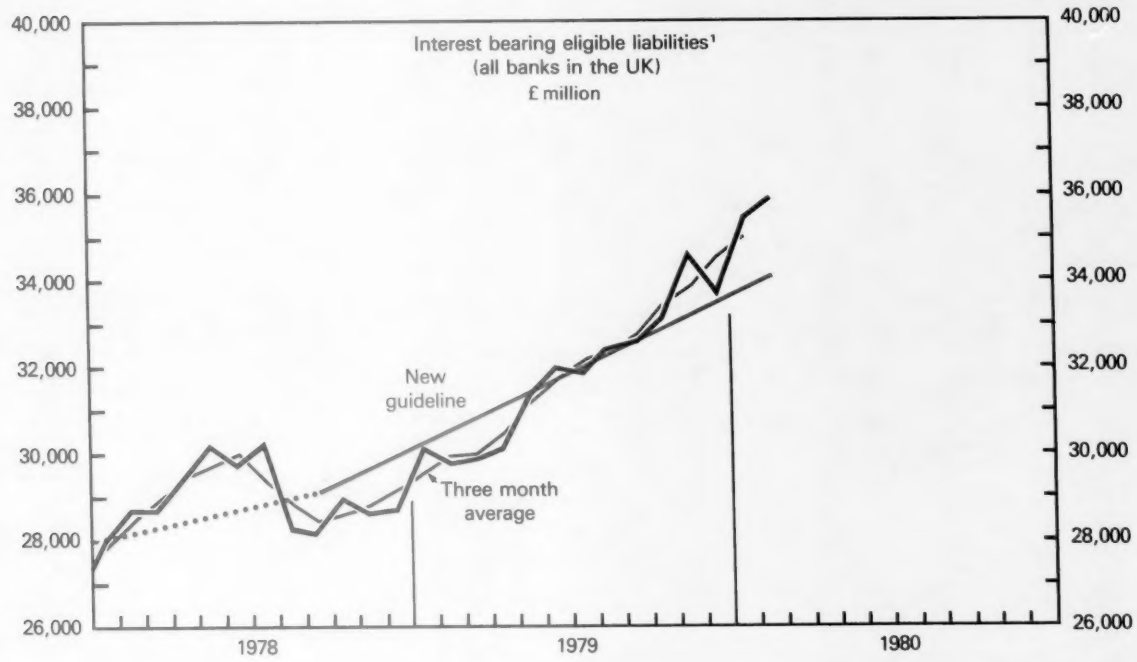
Banks' reserve ratio

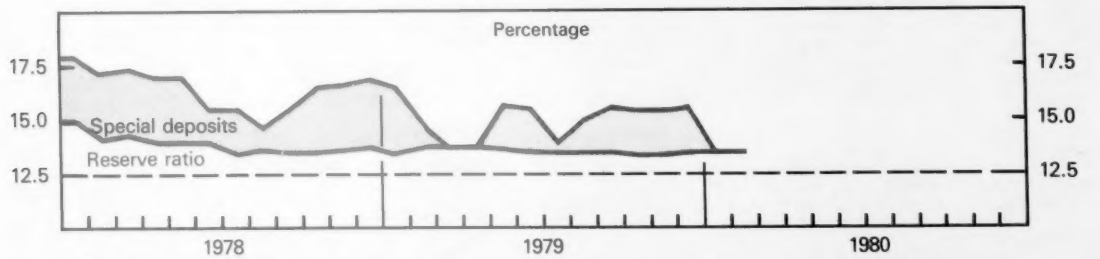
Unadjusted

	£ million		Per cent		£ million		£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]		Eligible liabilities	*of which:* Interest bearing	Reserve ratio	Special deposits[2]	Supplementary deposits[2,3]
At mid-month							**At mid-month**				
1977 *A*	35,844	24,010	14·2	3		*O*[4]	44,832	28,889	13·4	3	
M	35,827	23,943	14·0	3	1	*N*	44,635	28,681	13·5	3	1
J	36,278	24,222	14·0	3	—	*D*	45,001	28,733	13·6	3	2
J	37,094	24,671	14·0	3	1	1979 *J*	45,984	30,079	13·3	3	2
A	37,692	25,319	14·5	3		*F*	45,554	29,774	13·6	1	3
S	38,796	25,801	14·5	3		*M*	46,085	29,911	13·6	—	2
O	39,709	26,320	14·5	3		*A*	47,510	30,182	13·6	—	1
N	40,209	26,500	15·1	3		*M*	48,409	31,359	13·5	2	5
D	40,850	26,808	14·8	3		*J*	48,988	31,971	13·3	2	9
1978 *J*	41,678	27,990	14·8	3		*J*	49,156	31,903	13·3	½	2
F	42,225	28,620	14·0	3		*A*	49,863	32,488	13·3	1½	10
M	42,557	28,686	14·1	3		*S*	50,068	32,579	13·3	2	4
A	43,863	29,373	13·9	3		*O*	51,282	33,160	13·2	2	1
M	44,514	30,107	13·9	3		*N*	52,262†	34,530†	13·2	2	3
J	44,355	29,719	13·8	1½		*D*	51,647	33,608	13·3	2	3[5]
J	45,022	30,167	13·3	2		1980 *J*	52,937	35,429	13·2	—	28
A	43,411	28 280	13·5	1		*F*	52,894	35,906	13·2	—	104
S	43,508	28,141	13·4	2		*M*	52,773	35,614	13·1	—	132

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.
[3] For details of the activation of the supplementary special deposit scheme between November 1976 and August 1977, see the additional notes to Table 3 in the Bank of England Quarterly Bulletin. The scheme was re-introduced in June 1978, but no payments became due until November 1978.
[4] The addition of National Girobank to this series in October inflated eligible liabilities by £310 million and the reserve ratio by 0·1 %; hitherto this bank was outside the normal credit control arrangements. [5] Adjustments to supplementary deposits arising from mid-November figures are made after the mid-December reporting date. The amount due, however, was £19m.







[1]Supplementary special deposits will have to be paid by banks and deposit-taking finance houses, according to growth in excess of the guideline, at rates of 5 per cent (up to 3 per cent excess), 25 per cent (over 3 and up to 5 per cent excess) and 50 per cent (above 5 per cent excess) of interest-bearing eligible liabilities.

Interest rates, security prices and yields

Percentage rate

		Last Friday							Last working day	Average of working days			
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	Inter-bank (3-month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100 — Price index	Dividend yield	Earnings yield[7]
1969		8	7·80	9 – 9 1/16	8	6	9 3/8 – 9 1/2	9 1/8 – 9 1/4	11 5/16	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	7 1/4	7	5	7 1/8 – 7 1/4	7 3/16–7 5/16	7 7/16	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	4½ – 4¾	4½	2½	4⅜ – 4½	4⅝ – 4¾	5⅛	5·00	9·05	386·2	4·76	6·21
1972		9	8·48	8¾	7½	5¾	8 7/16 – 9 1/16	8 1/16 – 9 1/16	5 1/16	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	16 –16 1/16	13	9½	16 1/16–16 5/16	15¾ –16	10⅜	7·50	10·85	435·6	4·12	..
1974		11½	11·30	13 1/16	12	9½	12½ –12 1/16	12⅜ –12¾	10½	7·50	14·95	251·2	8·23	21·47
1975		11¼	10·93	11¼ –11⅜	11	7	11 1/16–11 3/16	11 –11 ⅛	6 1/16	7·00	14·66	311·0	6·81	19·49
1976		14¼	13·98	14¾ –15	14	11	14⅛ –14⅜	14 1/16–14⅛	5 1/16	7·80	14·25	368·0	5·96	17·61
1977		7	6·39	6¾	6¾–7½	3½–4½	6 5/16– 6⅜	6⅜ – 6 7/16	7⅛	6·00	12·32	452·3	5·42	16·50
1978		12½	11·91	12⅜ –12½	12½	10	12 7/16–12⅝	12⅜ –12½	11 3/16	8·00	12·38	479·4	5·65	16·47
1979		17	16·49	16 1/16–17½	17	15	16 1/16–17 1/16	16 1/16–16⅝	14½	10·50	11·85	419·8	7·70	18·78
1977	*J*	12¼	12·09	12⅜ –13⅜	13	9½	12⅛ –12⅜	12 –12 1/16	5½	7·80	13·67	374·7	6·01	18·69
	F	12	11·07	11⅜	11½	8	11 3/16–11 5/16	11⅛ –11 3/16	5 3/16	7·80	13·47	393·8	5·83	18·77
	M	10½	9·57	9½ – 9⅝	10½	6½	9⅜ – 9 1/16	9 5/16– 9⅜	5 3/32	7·80	12·85	418·2	5·39	16·91
	A	8¼	7·64	8⅛	9	4½	7 13/16– 8 1/16	7 11/16– 7⅞	5 5/16	7·80	12·55	415·1	5·51	16·82
	M	8	7·57	7⅜ – 7⅞	8½	4	7 1/16– 7 1/8	7 1/16– 7⅛	6 1/16	7·00	12·41	456·7	5·08	15·54
	J	8	7·60	7⅞ – 8	8½	4	7⅜ – 8	7⅜ – 7 1/16	5 3/16	7·00	12·85	450·5	5·19	15·83
	J	8	7·44	7⅜ – 7⅜	8½	4	7⅜ – 7 1/16	7 5/16– 7 1/16	6½	6·70	13·11	443·1	5·37	16·09
	A	7	6·52	6⅜ – 6½	8	4	6⅜ – 6½	6⅜ – 6 1/16	6⅜	6·70	12·56	478·6	5·23	15·26
	S	6	5·37	5 1/16– 5⅞	7	3	5⅜ – 5 1/16	5⅜ – 5 3/32	6 3/32	6·70	11·52	522·8	5·08	14·98
	O	5	4·53	4⅜ – 5	6	3	4 5/16– 5	4 5/16– 4 3/16	7½	6·70	10·84	511·9	5·26	15·55
	N	7	6·53	6⅜	6	3	6½ – 7⅛	6⅜ – 6 11/16	7 3/32	6·00	11·04	480·5	5·56	16·72
	D	7	6·39	6⅜	6¼–7½	3½–4½	6 5/16– 6⅜	6⅜ – 6 7/16	7⅛	6·00	10·90	481·6	5·56	16·83
1978	*J*	6½	5·85	6½ – 6 5/16	6½	3	6 5/16– 6½	6⅛ – 6½	7 1/16	6·00	10·67	482·3	5·57	16·96
	F	6½	6·07	6⅜ – 6¾	6½	3	6⅜ – 6⅝	6⅜ – 6¾	7 1/16	5·50	11·21	457·9	5·85	17·74
	M	6½	6·02	6⅜ – 7	6½	3	6 1/16– 7	6 1/16– 6 1/16	7 1/16	5·50	11·18	454·9	5·94	17·51
	A	7½	7·12	8 – 8⅛	7½	4	8 3/16– 8½	8⅛ – 8¼	7 23/32	5·50	11·65	460·9	5·85	17·25
	M	9	8·67	9½	9	6	9 5/16– 9 7/16	9 5/16– 9½	7 1/16	5·50	12·07	476·6	5·58	16·86
	J	10	9·49	9⅞ –10 1/16	10	6½–7	10 1/16–10¼	9 15/16–10 1/16	8 23/32	5·50	12·31	466·1	5·68	16·65
	J	10	9·33	10⅛ –10¼	10	6½–7	9 13/16–10 3/16	9 1/16– 9 1/16	8 1/32	6·70	12·20	472·2	5·62	17·06
	A	10	9·03	9½ – 9⅜	10	6½–7	9 3/16– 9⅜	9 3/16– 9 5/16	8 3/32	6·70	12·15	508·8	5·28	15·88
	S	10	9·38	9⅜ – 9⅝	10	6½–7	9 5/16– 9 1/16	9½ – 9⅝	9 5/16	6·70	12·17	516·0	5·21	15·02
	O	10	10·56	10⅜ –10⅞	10	6½–7	10⅜ –11 1/16	10 11/16–11	11 5/32	6·70	12·42	497·5	5·42	15·09
	N	12½	11·91	12 3/16–12¼	12½	10	12 1/16–12¼	12 1/16–12 3/16	11⅝	6·70	12·63	476·9	5·86	15·86
	D	12½	11·91	12⅜ –12½	12½	10	12 7/16–12⅝	12⅜ –12½	11 1/32	8·00	12·38	482·4	5·98	15·73
1979	*J*	12½	12·46	13	12½	10	13 –13⅛	12 5/16–12 11/16	10 21/32	8·00	12·51	474·1	6·10	16·01
	F	14	12·61	13½ –13¾	13½	11	12⅝ –13 1/16	12 11/16–13	10 27/32	8·00	12·63	460·2	6·18	16·16
	M	13	11·78	12⅜ –12½	13	10½	12 1/16–12 3/16	12 . –12⅛	10 9/16	8·00	11·36	511·5	5·53	14·54
	A	12	11·61	11 11/16–12	12	9½	11⅞ –11 11/16	11 9/16–11 11/16	11 1/16	8·00	10·68	537·4	5·37	14·31
	M	12	11·79	11 11/16–12	12	9½	11 11/16–11 13/16	11⅜ –11⅞	10 9/16	8·00	11·02	528·5	5·56	14·90
	J	14	13·71	14 –14¼	14	11½	13 13/16–14⅛	13 13/16–13 15/16	11	8·00	11·39	489·5	5·93	15·82
	J	14	13·82	14 1/16–14⅛	14	11½	14 –14⅛	13 13/16–14 1/16	11 1/16	8·00	10·88	468·3	6·62	16·92
	A	14	13·77	14¼	14	11½	14 3/16–14 5/16	14 1/16–14¼	12 3/16	8·75	10·54	467·2	6·95	17·46
	S	14	13·88	14¼	14	11½	14⅛ –14 1/16	13 15/16–14⅛	12⅛	8·75	10·75	468·4	6·95	17·75
	O	14	13·83	14½ –14⅝	14	11½	14 5/16–14 13/16	14½ –14⅝	15 13/32	8·75	11·07	465·4	7·13	17·55
	N	17	16·8	16⅞	17	15	16⅛ –16 1/16	16⅜ –16⅛	14 3/16	8·75	11·86	415·9	7·88	19·07
	D	17	16·49	16 1/16–17½	17	15	16 1/16–17 1/16	16 1/16–16⅞	14½	10·50	11·85	419·8	7·70	18·78
1980	*J*	17	16·38	17½ –17⅝	17	15	17¼ –17½	17⅛ –17 1/16	14 13/16	10·50	11·41	440·7	7·43	18·42
	F	17	16·74	18¼ –18⅜	17	15	18 1/16–18¼	18 –18¼	16 21/32	10·50	11·76	467·1	7·21	17·42
	M	17	16·89	18⅜ –18⅞	17	15	18⅛ –18⅜	17 15/16–18 1/16	19 23/32	10·50	12·62	440·8	7·75	19·26

[1] Previously known as Bank Rate. From 13 October 1972 to 24 May 1978, the Bank of England's minimum lending rate was normally set ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above. With effect from 25 May 1978 the rate has been determined by administrative decision with changes normally being announced at 12.30 p.m. on Thursdays; a new rate becomes effective, for lending by the Bank immediately. For changes in Bank Rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics (HMSO)*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

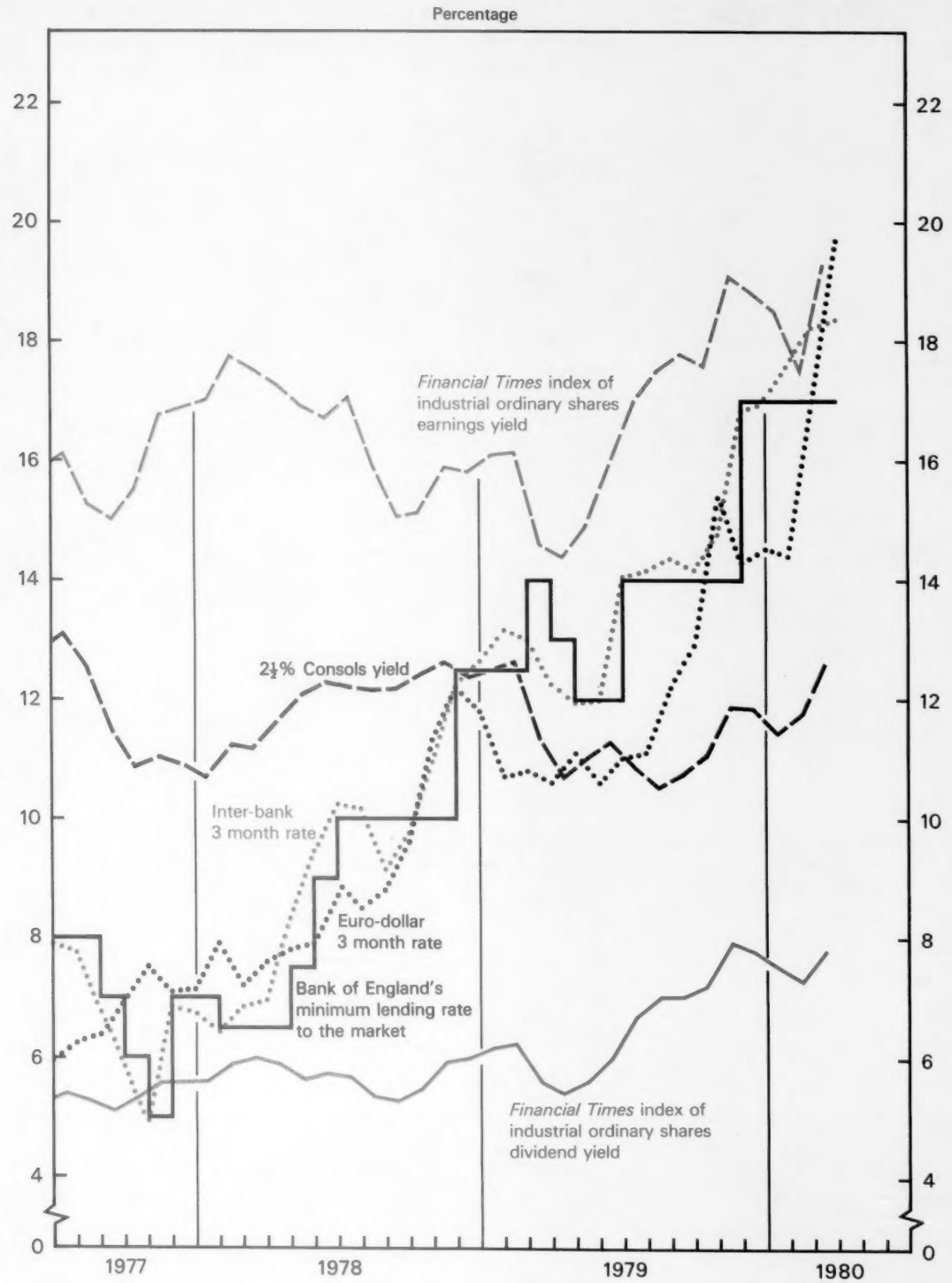
[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook*. No meaningful average for 1973 is therefore available.


Percentage
22
20
18
16
14
12
10
8
6
4
0
Financial Times index of industrial ordinary shares earnings yield
2½% Consols yield
Inter-bank 3 month rate
Euro-dollar 3 month rate
Bank of England's minimum lending rate to the market
Financial Times index of industrial ordinary shares dividend yield
1977
1978
1979
1980

Cyclical indicators for the UK economy

Recent movements of the indicators

(data available to 17 April 1980)

The composite index of *longer leading* indicators fell slightly in March as a sustained upward movement of interest rates (inverted in the index) offset a small rise in the smoothed series of the FT-Actuaries 500 index. Housing starts fell again in February. The index now seems to be continuing the downward movement observed through most of 1979. The inclusion of fourth quarter figures for net acquisitions of financial assets of industrial and commercial companies has had no significant effect on the direction of the index.

The composite index of *shorter leading* indicators remained unchanged in February as a slight downward movement in the smoothed series for new car registrations just balanced an upward movement in new credit extended. Inclusion of company profits for the fourth quarter of 1979 has not altered the downward direction of the index.

The composite index of *coincident* indicators was also broadly unchanged in February. With the inclusions of the gross domestic product measures for the fourth quarter the index is complete for 1979. It is clear that after an artificially high point in the second quarter economic activity fell back and has remained broadly unchanged since August.

The composite index of *lagging* indicators fell again in March as unemployment rose (inverted in the index) and vacancies fell.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude, and inversion where appropriate.

Values and timing characteristics of the composite indices

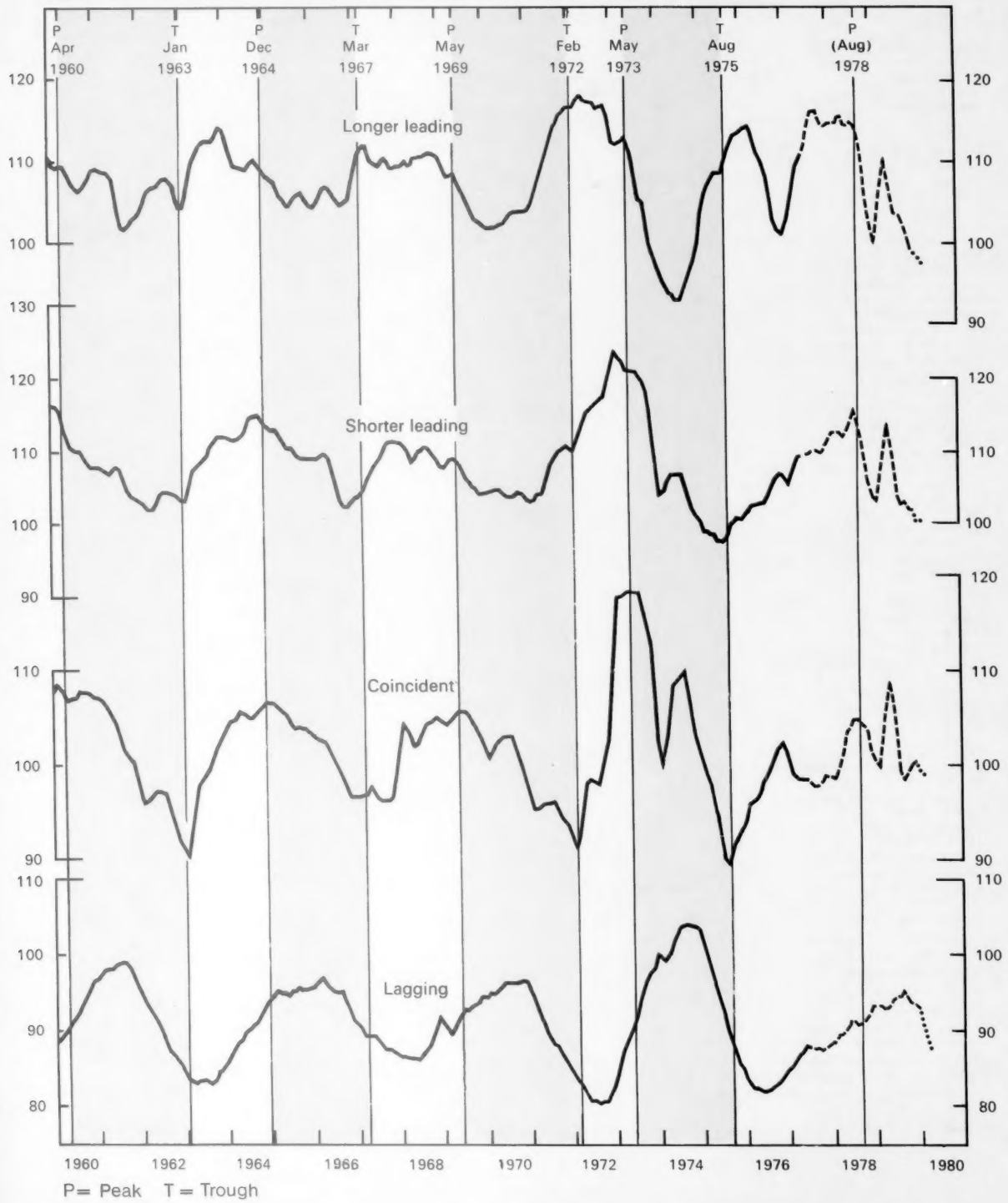
	Most recent values[2] January 1975 =100												Lead (−) or lag (+) in months relative to reference cycle dates		
	1979									1980					
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Mean	Earliest	Latest
Longer leading ..	107·7	110·0	107·4	104·9	103·3	103·1	102·5	100·5	98·9	98·6	97·9	97·4	−13	−23	−5
	4	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*3*	*3*	*2*			
Shorter leading ..	110·9	113·7	110·9	107·9	103·5	102·4	102·8	101·9	101·8	100·3	100·3		−5	−12	—
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*2*	*2*				
Coincident ..	106·4	108·9	106·5	103·4	99·1	98·2	98·9	99·9	100·3	99·3	98·8		+1	− 3	+ 5
	6	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*3*	*3*				
Lagging	93·5	94·0	94·6	94·6	95·1	94·5	93·9	93·4	92·9	90·8	88·8	87·4	+12	+5	+18
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*2*	*2*	*2*			

[1] A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office. 01-233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1975 =100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I/C}$	MCD or QCD	$\overline{I/C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1975 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1968 to 2nd quarter 1979	1·4	0·9	9·0	1·1	2	0·5
Income based	6	" " " " " " "	1·3	0·7	0·9	0·8	1	0·8
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	" " " " " " "	1·1	0·6	0·8	0·8	1	0·8
Consumers' expenditure	8,10	" " " " " " "	1·2	0·8	0·9	0·9	1	0·9
Fixed capital formation								
Total	8,16	" " " " " " "	1·7	1·3	1·0	1·4	2	0·5
Manufacturing industry	18	" " " " " " "	3·5	2·3	2·3	1·0	2	0·4
Stockbuilding[2]								
Total	8,22	" " " " " " "	*245·0*	*174·8*	*133·1*	1·3	2	0·6
Manufacturing	22	" " " " " " "	*129·2*	*83·8*	*81·0*	1·0	2	0·5
Exports: goods and services	8	" " " " " " "	3·4	2·6	1·8	1·4	2	0·6
Imports: goods and services	8	" " " " " " "	3·1	2·4	1·7	1·4	2	0·6
Personal disposable income	10	" " " " " " "	1·7	1·2	1·2	1·0	1	1·0
Other national income series								
Gross trading profits of companies	60	" " " " " " "	4·8	3·0	3·7	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1955 to 2nd quarter 1979	2·3	1·3	1·5	0·8	1	0·9
Public sector borrowing requirement[6]	56	" " 1971 " " " "	*367·4*	*321·6*	*197·6*	1·6	2	0·5
Monthly series								
Retail sales								
Total: current prices	12	January 1971 to December 1979	1·8	1·3	1·1	1·2	2	0·6
Total: constant prices	5,12	" " " " "	1·4	1·3	0·3	4·1	5	0·9
Food retailers	12	" " " " "	0·7	0·6	0·3	2·1	3	0·7
Mixed retail businesses	12	" " " " "	1·5	1·3	0·5	2·6	3	0·9
Clothing and footwear retailers	12	" " " " "	2·0	1·9	0·4	4·6	5	0·9
Household goods retailers	12	" " " " "	2·0	1·6	0·9	1·9	3	0·7
Other non-food retailers	12	" " " " "	1·2	1·0	0·5	2·0	3	0·7
Cars: new registrations	12	January 1971 to December 1978	8·1	7·8	1·7	4·6	5	1·0
Housing: public authorities[4]								
Starts	20	January 1956 to December 1979	11·9	11·6	1·7	6·8	6	
Completions	20	" " " " "	7·9	7·8	1·2	6·5	6	1·0
Housing: private								
Starts	20	" " " " "	8·6	8·3	2·4	3·5	4	0·9
Completions	20	" " " " "	6·2	6·1	1·0	6·1	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1973 to December 1979	1·1	1·0	0·5	2·1	3	0·8
Manufacturing industries	26	" " " " "	1·5	1·3	0·5	2·7	4	0·7
Passenger car production:								
Home market	32	January 1968 to December 1978	12·8	12·8	1·5	8·7	6	
Export	32	" " " " "	11·8	11·6	0·9	12·6	6	
Commercial vehicle production:								
Home market	32	" " " " "	9·5	9·2	1·5	6·0	6	
Export	32	" " " " "	10·4	10·2	1·5	7·0	6	
Unemployed excluding school-leavers[5]	5,36	January 1961 to December 1979	*13·2*	*4·5*	*11·9*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	August 1960 to December 1979	*5·8*	*2·4*	*5·2*	0·5	1	0·5
Average earnings (older series): production industries and some services	40	January 1963 to December 1978	1·0	0·4	0·9	0·5	1	0·5
Exports: value, f.o.b.	48	January 1964 to December 1976	3·1	2·7	1·3	2·0	2	0·9
Imports: value, f.o.b.	48	" " " " "	2·9	2·6	1·4	1·9	2	0·9
Money stock (sterling M_3)[3]	5,52	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5
Domestic credit expansion[3]	54	July 1971 to September 1977	94·1	73·3	17·9	4·1	5	1·0

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No. 226, August 1972. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3], [5] and [6].

$\overline{I/C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I/C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

[6] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and C are differences in units of £ million.

Articles

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National income and expenditure in the fourth quarter and year 1979*

Gross domestic product

Gross domestic product rose by about 1½ per cent in real terms between the years 1978 and 1979, about half of this growth being attributable to activities in the North Sea oil and gas industries (MLH 104). This assessment is based on the output measure of GDP. The income measure shows a slightly greater rise between the two years but the expenditure measure shows virtually no growth. The divergence in 1979 is thought to be largely due to difficulties in recording expenditure with capital formation, particularly stockbuilding, a major area of uncertainty. Estimates of consumers' expenditure and government consumption are less likely to have been affected appreciably by recording difficulties. (See the technical note on page 75 of *Economic Trends* No. 315, January 1980.)

MLH 104 apart, there was little change in the underlying level of activity between the third quarter of 1978 and the fourth quarter of 1979. Fluctuations during the course of 1979 were largely due to special factors, particularly the industrial disputes and bad weather of the first quarter, the recovery and recoupment of output in the second and, also in the second quarter, the boost provided by heavy consumer demand before and immediately following the Budget.

Real national disposable income rose by nearly 2½ per cent between 1978 and 1979. The excess of growth over the

*This article presents quarterly estimates of national income and expenditure up to the fourth quarter of 1979. Estimates of the components of GDP in constant prices are given here in terms of average 1975 prices.

The estimates presented here incorporate the estimates of capital expenditure and stockbuilding issued by the Department of Industry in a press notice on 20 March 1980. These were received too late to be incorporated in the provisional summary measures of GDP which were issued on 24 March 1980.

Many of the component series of GDP(E) and GDP(O) are derived at constant 1975 prices by revaluing current price data. When prices are changing rapidly the problems associated with this revaluation become acute. For this reason, the estimates for periods since about the end of 1973 should be regarded as subject to wider margins of error than in earlier years.

A general description of national income statistics, together with details of sources, methods and definitions used, is given in *National Accounts Statistics: Sources and Methods* (HMSO, 1968). Subsequent changes are described in the notes to the 1979 *National Income and expenditure* Blue Book.

All commentary is in terms of seasonally adjusted data.

Gross domestic product at factor cost, total home costs, and national disposable income revalued at constant market prices[1]

TABLE A

	Seasonally adjusted							
	Index numbers, 1975 = 100							
	Gross domestic product							
	At current prices		At 1975 prices					
	Based on expenditure data	Based on income data	Based on expenditure data	Based on income data[2]	Based on output data	Average estimate	Implied index of total home costs	National disposable income at 1975 market prices[3]
1976	117·7	117·4	103·6	103·4	102·2	103·1	113·5	102·8
1977	133·0	134·0	104·6	105·3	104·7	104·9	127·2	103·7
1978	151·4	152·8	107·1	108·1	107·9	107·7	141·4	108·6
1979	170·1	174·7	107·4	110·3	109·6	109·5[4]	158·4	111·0
1977 *1*	126·3	128·4	103·1	104·8	104·7	104·2	122·5	102·7
2	130·0	132·8	103·9	106·1	104·1	104·7	125·2	
3	135·9	135·8	104·6	104·5	104·8	104·6	129·9	104·6
4	139·9	138·8	106·7	105·8	105·2	105·9	131·1	
1978 *1*	144·1	144·3	105·7	105·8	106·0	105·9	136·4	107·3
2	148·7	151·5	106·8	108·8	108·0	107·9	139·2	
3	154·8	156·3	107·6	108·6	108·7	108·3	143·9	109·8
4	157·8	159·1	108·1	109·1	108·7	108·6	145·9	
1979 *1*	157·8	161·6	106·2	108·9	107·9	107·8[4]	148·6	110·9
2	170·9	172·5	109·5	110·6	111·4	111·3[4]	156·0	
3	173·6	177·8	106·6	109·2	109·5	109·4[4]	162·8	111·2
4	177·9	186·7	107·1	112·4	109·8	109·7[4]	166·1	

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Income data deflated by the index of total home costs derived from expenditure data.
[3] Half yearly estimates only.
[4] Because of doubts about the reliability of the expenditure-based measure of GDP in 1979, these figures have been produced by projecting forward the average estimate in Q4 1978 by the quarterly movements in the output-based measure.

increase in GDP reflected the rise in export prices relative to import prices in non-oil trade resulting from increases in the international value of the pound sterling.

The GDP deflator rose by 12 per cent between 1978 and 1979. The rise between the fourth quarters of 1978 and 1979 was 14 per cent.

Expenditure at constant 1975 prices (Table 1)

Consumers' expenditure rose by 4 per cent and government consumption by 1 per cent between 1978 and 1979. Exports of goods and services rose, by about 2 per cent, between the two years but imports rose much more sharply, by about 11 per cent, over the same period.

Consumers' expenditure recovered in the fourth quarter, rising by 2 per cent, following the depressed level of consumer spending in the third quarter after the introduction of 15 per cent VAT. Other items of final demand were little changed in the fourth quarter.

The volume of government final consumption in the first three quarters of the financial year 1979/80 was 1 per cent higher than in the same period of the previous year.

Income at current prices (Table 2)

In 1979 total domestic income was 17 per cent higher than in 1978 with income from employment its largest component rising by 17 per cent. Gross trading profits of all companies before deducting stock appreciation increased by 25 per cent between 1978 and 1979. However, stock appreciation more than doubled and profits after deducting stock appreciation rose by only 7 per cent.

Income from employment rose by 4½ per cent in the fourth quarter of 1979, following a rise of 5 per cent in the third quarter.

Output at constant 1975 prices (Table 3)

The output measure of gross domestic product rose by 1½ per cent between 1978 and 1979, following a rise of 3 per cent in the previous year. The level of output in 1979 was 1 per cent higher than in the second half of 1978. This growth resulted from higher North Sea oil and gas production (MLH 104). MLH 104 accounted for 3 per cent of gross domestic product in 1979 compared with 2 per cent in 1978.

A number of special factors in 1979 caused output to fluctuate from quarter to quarter. The severe weather and the road haulage dispute depressed production in the first quarter which was than recouped to a certain extent in the second quarter, when activity was also mildly stimulated by spending before the rise in VAT. Production fell back in the third quarter in the wake of this spending and as a result of the dispute in the engineering and allied industries. There was some recovery of production in the fourth quarter. There were some industries which did not conform to this general pattern. The construction industry took longer to recover from the bad weather whilst in contrast to other industries the energy industries were stimulated by the cold weather of the first quarter.

Industries showing a significant increase in output between 1978 and 1979 include North Sea oil and gas (up 43 per cent), communications (up 8 per cent), gas, electricity and water (up 6 per cent), distributive trades (up 2 per cent) and chemicals, coal and petroleum products (up 2 per cent). The rise of 2½ per cent in metal manufacture followed a fall of 1½ per cent in 1978. The 1½ per cent fall in production in the textiles, leather and clothing industries was largely the result of the increase in the rate of VAT and the appreciation of sterling. Most of the fall occurred at the end of the year. Construction fell back in 1979, by 3 per cent, following a rise of 7 per cent in 1978.

Personal income, expenditure and saving (Tables 4 and 5)

The United Kingdom wages and salaries bill rose 4½ per cent in the fourth quarter of 1979 and was 16 per cent higher in 1979 as a whole than in 1978. General government current grants to persons rose by 13 per cent in the fourth quarter reflecting the uprating of benefits and pensioners' Christmas bonus. Between 1978 and 1979 government grants rose by 17 per cent. Other incomes rose by 15 per cent from the first to the second half of 1979 partly as a result of higher dividend payments following the removal of dividend controls at the end of July 1979. Total personal income before tax rose by 6 per cent in the fourth quarter of 1979 and was 17 per cent higher in 1979 than in 1978.

Changes in personal income

TABLE B

	Percentage growth of seasonally adjusted data				
	Increase on preceding quarter 1979				1978 to 1979
	1	2	3	4	
Total personal income	3·6	5·2	4·8	5·8	17·3
of which:					
Wages and salaries[1]	4·1	4·4	5·2	4·4	16·4
Employers' contributions	2·7	6·6	4·7	4·6	17·4
Current grants from general government	2·9	4·9	−1·1	12·9	17·3
UK taxes on income	4·8	6·5	−1·5	− 5·0	9·9
National insurance, etc. contributions	1·3	7·5	4·7	4·6	14·5
Total personal disposable income	3·5	4·9	5·6	7·6	18·7
Real personal disposable income	1·3	1·4	−0·6	4·9	6·0

[1] Including forces' pay.

Gross trading profits of industrial and commercial companies: net of stock appreciation

TABLE C

	Seasonally adjusted, £ million									
			1978				1979			
	1978	1979	1	2	3	4	1	2	3	4
North Sea oil and gas (MLH 104) ..	2,350	4,760	530	570	560	690	920	1,090	1,320	1,430
Gross trading profits excluding MLH 104	16,070	15,050	3,810	3,970	4,210	4,080	3,330	4,150	3,620	3,950
Total	18,420	19,810	4,340	4,540	4,770	4,770	4,250	5,240	4,940	5,380

Personal disposable income rose by 8 per cent in the fourth quarter reflecting the cut in income tax rates and the tax rebates covering the second and third quarters of 1979. The increase in personal disposable income from 1978 to 1979 was 19 per cent. The quarterly movement in taxes on income shown in Table B reflects the tax changes over recent quarters.

Real personal disposable income rose sharply in the fourth quarter largely as a result of the switch from direct to indirect taxation which depressed the third quarter's level and inflated the fourth quarter's total. The best assessment of the movement in real personal disposable income is provided by comparing the aggregates of the first three quarters of the last two financial years. This rise was 5 per cent. The rise between the calendar years 1978 to 1979 was 6 per cent.

Consumers' expenditure at current prices rose by 16½ per cent in 1979. As this was less than the rise in personal income the saving ratio went up, from 14 per cent to 16 per cent.

In volume terms, consumers' expenditure rose 2 per cent in the fourth quarter and was 4 per cent higher in 1979 than in 1978.

Consumers' expenditure fluctuated more than usually in 1979 mainly because of buying before the widely anticipated rise in VAT rates in the June budget. Taking 1979 as a whole expenditure on consumer durables continued to rise. Expenditure on cars and motor-cycles rose by 8 per cent in 1979, even though expenditure in 1978 had been 35 per cent higher than in 1977. Expenditure on radio and electrical goods was 9 per cent higher in 1979. Expenditure on wines and spirits rose 9 per cent compared with 1978; but expenditure on tobacco fell by 1½ per cent.

Industrial and commercial companies (Table 7)

Estimates of gross trading profits of industrial and commercial companies have been revised upwards for all periods covered by this article. Before deducting stock appreciation, profits rose 25 per cent between 1978 and 1979. Stock appreciation rose from £3 billion to nearly £7 billion over this period and thus profits after deducting stock appreciation rose by little over 5 per cent. Excluding North Sea oil, profits net of stock appreciation *fell* by over 5 per cent – a contrast to the 17 per cent rise in income from employment over the same period.

As a result of inclement weather and restrictions on gas flaring, the volume of crude oil produced and sold fell by 7 per cent in the fourth quarter of 1979. However, the average price of crude oil delivered rose substantially (by 14 per cent) and profits net of stock appreciation rose by 8 per cent over this period. For the year as a whole, the value of crude oil delivered rose sharply as a result of the inauguration of new fields at the end of 1978, higher levels of production since then and a 40 per cent increase in price. With only a small increase in costs, profits of companies operating in the North Sea doubled between 1978 and 1979. MLH 104 accounted for one-quarter of company profits in 1979.

Income from abroad of all industrial and commercial companies rose by 35 per cent between 1978 and 1979. This was partly due to higher receipts by United Kingdom oil companies from subsidiaries abroad. Rent and non-trading income rose by 35 per cent between 1978 and 1979.

Payments of dividends on ordinary shares during the latter half of 1979 were 70 per cent up on the previous six-month period. There were two main reasons for this large increase: the removal of dividend controls at the end of July 1979 and certain exceptional dividend payments, mainly by oil companies and mainly in the fourth quarter of 1979.

Profits due abroad were 80 per cent higher in 1979 than in 1978 largely because of the increased profits of foreign oil companies working in the North Sea.

Financial companies and institutions (Table 8)

Total income of financial companies and institutions rose by 45 per cent in 1979, largely as a result of higher interest rates and increased levels of advances to the personal and corporate sectors. The banks, whose non-trading income rose by 55 per cent in 1979, made the largest contribution to this rise. Even though building societies reduced their lending margins in the last part of 1979, their non-trading income rose 40 per cent in 1979. Income from abroad fell in 1979 by 9 per cent following a large rise of 45 per cent in the previous year.

On the payments side, interest payments by banks rose by 80 per cent whilst those by building societies rose by 55 per cent. Taxes on income rose by 20 per cent.

Public corporations (Table 9)
The gross trading surplus of public corporations (before providing for depreciation and stock appreciation) rose by only 4 per cent in 1979, whilst after deducting stock appreciation there was no increase. Receipts of subsidies, which form part of profits, rose by 17 per cent. The lack of any appreciable growth in the trading surplus in 1979 and the path of the quarterly surpluses reflect the pattern of wage and price increases over the year.

The gross trading surplus before deducting stock appreciation was 7 per cent higher in the fourth quarter than in the same quarter one year earlier.

Central government (Table 10)
Total central government receipts in 1979 were 20 per cent higher than in 1978. Income tax receipts in the third quarter were low because of increased tax allowances and were lower still in the fourth quarter as a result of the cut in the basic rate of income tax (33 per cent to 30 per cent) and reductions in the higher rates of tax both of which were introduced in October and back-dated to April. The increase in the VAT rate to 15 per cent was imposed at the end of June. Receipts from taxes on expenditure rose by 8 per cent between the third and fourth quarters of 1979 in line with the partial recovery in consumer spending. Taxes on income in the first three quarters of the financial year 1979/80 were 13 per cent higher than in the same period of the previous financial year. In contrast central government taxes on expenditure rose by 40 per cent over the same period.

Total central government current expenditure for 1979 was 16 per cent up on 1978. Total final consumption rose by 15 per cent. National insurance benefits rose by 17 per cent from the third to the fourth quarter of 1979, partly because the fourth quarter included Christmas bonuses to pensioners and partly because benefits were up-rated in November. Other up-ratings of benefits in November contributed to the 9 per cent rise in other current grants to persons in the fourth quarter. For the first three quarters of the financial year 1979/80 compared with the same period of the previous financial year, expenditure on military defence rose 16 per cent whilst expenditure on the national health service rose 18 per cent. The largest rise over this period was in other current grants to the personal sector which rose 24 per cent, nearly half of which was due to increased child benefits.

Debt interest rose by 21 per cent between 1978 and 1979 as a result of the high interest rates in 1979. Between the two years the current deficit of receipts over expenditure improved by £2 billion, following a worsening of £2 billion in the previous year.

Local authorities (Table 11)
Total current receipts of local authorities were 13 per cent higher in 1979 than in 1978. For the first three quarters of the financial year 1979/80 current grants from central government and receipts from rates were 15 per cent and 16 per cent higher respectively than in the same period of the previous year.

Total current expenditure by local authorities in 1979 was 15 per cent up on 1978. The delays in the final settlement of teachers' pay in 1979 contributed to the small rise in expenditure on education (up 12 per cent in 1979). Debt interest rose by 18 per cent as a result of the high interest rates in 1979.

The current surplus of receipts over expenditure fell by £100 million between 1978 and 1979.

International transactions (Table 12)
The fourth quarter increases of 4 per cent in the value of exports of goods and services was almost entirely due to price rises. A very small fall in the volume of exported goods was offset by a rise in exports of services. On the debit side of the account the rise in prices of imported goods (particularly oil) and services was even faster, reflecting a fall in the exchange rate for sterling between the third and fourth quarters.

Over the year as a whole, the increase in export volume stemmed largely from increased exports of oil. Other exports were affected by a loss of £1 billion of trade (measured at current prices for 1978) with Iran and Nigeria and through worsening competitiveness. Property income from abroad rose by £1·9 billion as a result of higher interest rates, and higher oil prices which were reflected in the profits of United Kingdom oil companies operating overseas. Oil prices and the higher interest rates also contributed to the increase in property income paid abroad. The increase in the volume of imported goods in 1979 was due largely to a 15 per cent increase in imports of manufactures reflecting increased consumer demand and worsening domestic competitiveness. A large part of the increase in the volume of imports of services related to increased expenditure on travel abroad.

Summary capital account (Table 13)
In the second half of 1979 total saving rose by 15 per cent compared with the first half of the year, mainly because of a 40 per cent increase in personal saving, in part caused by unspent tax rebates. Total saving was 25 per cent higher in 1979 than in 1978. Gross capital formation (fixed investment and stocks) increased throughout the year and was 30 per cent up on 1978.

Net acquisition of financial assets by industrial and commercial companies fell from almost nil in 1978 to *minus* £5 billion in 1979. This comparison is affected by the divergence between the income and expenditure measures of GDP.

Gross domestic fixed capital formation at constant 1975 prices (Tables 14 and 15)
On the basis of present estimates the volume of fixed investment rose slightly in the fourth quarter of 1979. The main contribution to this rise was provided by investment in private sector dwellings as shown by a rise in a number of completions in this quarter. Investment for 1979 as a whole was 3 per cent lower than in 1978. Half of this fall is attributable to reduced investment in the North Sea oil and gas industries. Investment in dwellings fell by about 10 per

cent and investment in the shipping industry by 60 per cent. Direct investment by manufacturing industries was little changed in 1979, although there was a growth in the volume of fixed assets bought by financial companies and leased to manufacturers. Assets are classified on an ownership basis and so the figure for 'other industries' reflects this growth. The rise in investment by 'other industries' was 11 per cent from 1978 to 1979.

Value of the physical increase in stocks and work-in-progress (Table 16)

According to present estimates the volume of stockbuilding was high in 1979 and about double the rate of 1978.

Revisions

Since the publication of the January 1980 issue of *Economic Trends*, there have been a number of revisions. Most importantly, there have been substantial upward revisions to the previously published series for gross trading profits. These revisions have been made in the light of further information and research on the trading profits of industrial and commercial companies by the Inland Revenue. The estimates of trading profits are mainly derived from the statistical analysis of tax assessments of company accounts. Three main factors have contributed to the revisions:

(*a*) For many cases where tax assessments are not yet agreed, trading profits are estimated for statistical purposes from the estimated tax liability. Recent information has shown that previous methods tended to underestimate profits in such cases.

(*b*) New information has indicated broad levels of trading profits earned by companies where no formal tax assessment is made. These levels are considerably higher than the small 'token' allowance previously made.

(*c*) With the retrospective introduction of stock relief on profits earned in 1973, the statistics of profits for 1973 and subsequently were unavoidably affected by varying practices in recording profits before and after deduction of stock relief. Research has now shown that previous estimates of trading profits for those years require upward revision on account of this factor. The effect in 1975 and later years is relatively small, but the revisions for 1973 and 1974 have been more substantial.

The estimates for Q1 1977 onwards are mainly produced by assessing the trends in profits since 1976 by sample surveys, including the Quarterly Profits Enquiry in which information is supplied directly by companies. The revisions to the 1976 estimates therefore lead to comparable upward revisions for later years.

The effect of all the revisions are shown below.

Gross trading profits of industrial and commercial companies (£ million)

1970	+ 100	1975	+ 900
1971	+ 200	1976	+1,205
1972	+ 500	1977	+1,345
1973	+1,120	1978	+1,825
1974	+1,190		

Other series which have been substantially revised include stockbuilding and income from employment.

Central Statistical Office

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*The tables show annual figures from 1974 and quarterly figures from 1977.

APPENDIX

Expenditure on the gross domestic product

TABLE 1

£ million

	Gross domestic product		Final expenditure on goods and services at market prices								
	At market prices	At factor cost[1]	Total	Consumers' expenditure	General government consumption	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Taxes on expenditure	Subsidies
At current prices											
1974	82,418	73,953	109,793	52,088	16,558	16,926	1,255	22,966	27,375	11,469	3,004
1975	104,039	93,592	133,033	63,905	23,050	20,545	−1,477	27,010	28,994	14,163	3,716
1976	123,196	110,110	160,090	73,966	26,683	23,584	667	35,190	36,894	16,546	3,460
1977	141,407	124,489	184,001	84,010	29,153	25,890	1,633	43,315	42,594	20,242	3,324
1978	161,262	141,643	206,801	96,308	32,817	29,331	1,024	47,321	45,539	23,215	3,596
1979	185,478	159,142	239,876	112,245	37,593	32,705	3,177	54,156	54,398	30,415	4,079
Unadjusted											
1977 *1*	32,496	29,172	42,967	19,164	7,017	6,228	559	9,999	10,471	4,211	887
2	33,923	29,686	44,924	20,196	7,250	6,056	604	10,818	11,001	5,065	828
3	36,060	31,536	46,809	21,485	7,362	6,434	54	11,474	10,749	5,316	792
4	38,928	34,095	49,301	23,165	7,524	7,172	416	11,024	10,373	5,650	817
1978 *1*	37,502	33,359	48,377	22,143	7,929	7,240	170	10,895	10,875	5,020	877
2	38,762	33,925	50,327	23,066	8,044	6,969	219	12,029	11,565	5,700	863
3	41,075	36,019	52,646	24,718	8,240	7,255	368	12,065	11,571	5,962	906
4	43,923	38,340	55,451	26,381	8,604	7,867	267	12,332	11,528	6,533	950
1979 *1*	41,629	36,468	53,882	25,054	8,782	7,674	1,110	11,262	12,253	6,173	1,012
2	44,836	38,741	58,710	27,343	9,118	7,485	785	13,979	13,874	7,132	1,037
3	47,733	40,530	61,365	28,683	9,669	8,284	721	14,008	13,632	8,188	985
4	51,280	43,403	65,919	31,165	10,024	9,262	561	14,907	14,639	8,922	1,045
Seasonally adjusted											
1977 *1*	33,180	29,542	43,787	19,922	6,950	6,061	656	10,198	10,607	4,473	835
2	34,654	30,408	45,520	20,597	7,261	6,355	599	10,708	10,866	5,099	853
3	36,240	31,794	46,972	21,505	7,434	6,631	8	11,394	10,732	5,257	811
4	37,333	32,745	47,722	21,986	7,508	6,843	370	11,015	10,389	5,413	825
1978 *1*	38,192	33,710	49,400	22,952	7,853	7,059	225	11,311	11,208	5,316	834
2	39,672	34,794	50,806	23,558	8,052	7,304	231	11,661	11,134	5,762	884
3	41,207	36,226	52,873	24,659	8,325	7,434	364	12,091	11,666	5,903	922
4	42,191	36,913	53,722	25,139	8,587	7,534	204	12,258	11,531	6,234	956
1979 *1*	42,468	36,921	54,854	25,991	8,707	7,541	1,143	11,472	12,386	6,509	962
2	46,109	39,980	59,788	27,948	9,117	7,985	813	13,925	13,679	7,190	1,061
3	47,720	40,613	61,450	28,505	9,768	8,350	738	14,089	13,730	8,110	1,003
4	49,181	41,628	63,784	29,801	10,001	8,829	483	14,670	14,603	8,606	1,053

[1] Equals total final expenditure on goods and services at market prices *less* imports of goods and services *less* adjustment to factor cost. Estimates of the gross domestic product at constant factor cost based on statistics of output and income are given in Table 3, and in the text of the article.

[2] This represents taxes on expenditure *less* subsidies valued at constant rates.

Expenditure on the gross domestic product

TABLE 1 (*continued*)

£ million

	Gross domestic product		Final expenditure on goods and services at market prices							
	At market prices	At factor cost[1]	Total	Consumers' expenditure	General government consumption	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Adjustment to factor cost[2]
Revalued at 1975 prices										
1974	104,870	94,237	136,112	64,418	21,732	20,636	1,655	27,671	31,242	10,633
1975	104,039	93,592	133,033	63,905	23,050	20,545	−1,477	27,010	28,994	10,447
1976	107,828	96,971	138,051	64,030	23,477	20,611	457	29,476	30,223	10,857
1977	108,706	97,864	139,238	63,198	23,250	20,177	1,193	31,420	30,532	10,842
1978	112,056	100,189	143,709	66,680	23,704	20,559	740	32,026	31,653	11,867
1979	112,757	100,476	147,899	69,398	23,971	20,006	1,867	32,657	35,142	12,281
Unadjusted										
1977 *1*	26,204	23,675	33,814	15,025	5,828	5,048	394	7,519	7,610	2,529
2	26,323	23,733	34,217	15,235	5,830	4,812	471	7,869	7,894	2,590
3	27,244	24,513	34,913	15,949	5,744	4,957	33	8,230	7,669	2,731
4	28,935	25,943	36,294	16,989	5,848	5,360	295	7,802	7,359	2,992
1978 *1*	27,023	24,222	34,767	15,745	5,939	5,276	170	7,637	7,744	2,801
2	27,234	24,373	35,249	16,053	5,908	4,956	174	8,158	8,015	2,861
3	28,244	25,258	36,229	17,000	5,861	5,040	238	8,090	7,985	2,986
4	29,555	26,336	37,464	17,882	5,996	5,287	158	8,141	7,909	3,219
1979 *1*	27,239	24,355	35,384	16,412	6,020	5,001	772	7,179	8,145	2,884
2	28,009	24,900	37,084	17,339	5,999	4,668	441	8,637	9,075	3,109
3	28,058	25,044	36,942	17,294	5,941	5,014	362	8,331	8,884	3,014
4	29,451	26,177	38,489	18,353	6,011	5,323	292	8,510	9,038	3,274
Seasonally adjusted										
1977 *1*	26,825	24,116	34,535	15,670	5,773	4,923	494	7,675	7,710	2,709
2	26,948	24,298	34,745	15,611	5,836	5,088	423	7,787	7,797	2,650
3	27,215	24,481	34,866	15,879	5,807	5,006	15	8,159	7,651	2,734
4	27,718	24,969	35,092	16,038	5,834	5,160	261	7,799	7,374	2,749
1978 *1*	27,675	24,718	35,650	16,403	5,879	5,169	271	7,928	7,975	2,957
2	27,926	24,987	35,638	16,467	5,911	5,222	133	7,905	7,712	2,939
3	28,184	25,184	36,239	16,883	5,929	5,084	238	8,105	8,055	3,000
4	28,271	25,300	36,182	16,927	5,985	5,084	98	8,088	7,911	2,971
1979 *1*	27,911	24,853	36,145	17,110	5,968	4,903	853	7,311	8,234	3,058
2	28,829	25,626	37,781	17,800	5,996	4,979	408	8,598	8,952	3,203
3	27,945	24,938	36,882	17,081	6,012	5,052	360	8,377	8,937	3,007
4	28,072	25,059	37,091	17,407	5,995	5,072	246	8,371	9,019	3,013

See footnotes on page 78.

Factor incomes in the gross national product

TABLE 2

£ million

	Gross national product		Net property income from abroad	Gross domestic product at factor cost	Factor incomes						*less* Stock appreciation	Residual error
	At market prices	At factor cost			Total domestic income[1]	Income from employment[2]	Gross trading profits of companies	Gross trading surplus of public corporations[1]	Gross trading surplus of general government enterprises[1]	Other income[3]		
1974	83,841	75,376	1,423	73,953	79,848	52,758	10,669	2,558	148	13,715	−6,057	162
1975	104,801	94,354	762	93,592	98,722	68,199	11,135	3,093	155	16,140	−5,529	399
1976	124,495	111,409	1,299	110,110	115,812	78,014	14,322	4,501	137	18,838	−6,442	740
1977	141,608	124,690	201	124,489	129,789	85,981	17,151	5,090	172	21,395	−4,960	− 340
1978	162,323	142,704	1,061	141,643	146,604	97,366	19,165	5,412	184	24,477	−4,204	− 757
1979	185,685	159,349	207	159,142	171,485	113,493	24,251	5,647	182	27,912	−8,727	−3,616
Unadjusted												
1977 *1*	32,606	29,282	110	29,172	31,689	20,675	4,461	1,423	44	5,086	−1,918	− 599
2	33,886	29,649	− 37	29,686	31,942	21,227	4,295	1,150	42	5,228	−1,140	−1,116
3	36,155	31,631	95	31,536	32,374	21,748	4,053	1,122	60	5,391	−1,125	287
4	38,961	34,128	33	34,095	33,784	22,331	4,342	1,395	26	5,690	− 777	1,088
1978 *1*	37,685	33,542	183	33,359	34,281	22,832	4,284	1,391	48	5,726	− 810	− 112
2	39,006	34,169	244	33,925	36,288	24,135	4,846	1,262	45	6,000	−1,142	−1,221
3	41,495	36,439	420	36,019	37,041	24,906	4,701	1,143	48	6,243	− 986	− 36
4	44,137	38,554	214	38,340	38,994	25,493	5,334	1,616	43	6,508	−1,266	612
1979 *1*	41,863	36,702	234	36,468	39,528	26,177	5,158	1,687	46	6,460	−2,062	− 998
2	44,766	38,671	− 70	38,741	42,203	27,679	6,420	1,213	20	6,871	−2,168	−1,294
3	47,887	40,684	154	40,530	43,495	29,203	6,024	1,051	76	7,141	−2,389	− 576
4	51,169	43,292	− 111	43,403	46,259	30,434	6,649	1,696	40	7,440	−2,108	− 748
Seasonally adjusted												
1977 *1*	33,286	29,648	106	29,542	31,825	20,881	4,435	1,307	44	5,158	−1,918	− 365
2	34,655	30,409	1	30,408	32,093	21,213	4,338	1,249	42	5,251	−1,140	− 545
3	36,277	31,831	37	31,794	32,763	21,658	4,260	1,374	60	5,411	−1,125	156
4	37,390	32,802	57	32,745	33,108	22,229	4,118	1,160	26	5,575	− 777	414
1978 *1*	38,359	33,877	167	33,710	34,436	23,044	4,277	1,258	48	5,809	− 810	84
2	39,993	35,115	321	34,794	36,435	24,114	4,868	1,380	45	6,028	−1,142	− 499
3	41,548	36,567	341	36,226	37,396	24,797	4,903	1,381	48	6,267	− 986	− 184
4	42,423	37,145	232	36,913	38,337	25,411	5,117	1,393	43	6,373	−1,266	− 158
1979 *1*	42,679	37,132	211	36,921	39,719	26,414	5,159	1,545	46	6,555	−2,062	− 736
2	46,126	39,997	17	39,980	42,347	27,651	6,423	1,348	20	6,905	−2,168	− 199
3	47,777	40,670	57	40,613	43,816	29,075	6,234	1,260	76	7,171	−2,389	− 814
4	49,103	41,550	− 78	41,628	45,603	30,353	6,435	1,494	40	7,281	−2,108	−1,867

[1] Before providing for depreciation and stock appreciation.
[2] Wages and salaries, forces' pay and employers' contributions.
[3] Income from rent and self-employment and the imputed charge for consumption of non-trading capital.

Index numbers of output at constant factor cost

TABLE 3

1975 = 100

	Gross domestic product[1,2,3]	Agriculture, forestry and fishing	Industrial production					Transport and communication	Distributive trades	Other services
			Total[2]	Mining and quarrying[4]	Manufacturing[2]	Construction[4]	Gas, electricity and water[4]			
1975 weights	*1,000*	*28*	*407*	*17*	*283*	*74*	*33*	*88*	*101*	*376*
1974	102·0	110	105·8	89·9	107·5	105·8	99·2	101	103	97
1975	100·0	100	100·0	100·0	100·0	100·0	100·0	100	100	100
1976	102·2	93	102·6	125·8	102·3	98·6	102·9	99	101	103
1977	104·7	106	106·6	187·7	103·9	98·4	107·1	103	99	105
1978	107·9	113	110·2	232·5	104·3	105·5	110·2	106	103	107
1979	109·6	110	113·0	293·8	104·6	102·8	117·2	110	106	107
Seasonally adjusted										
1977 *1*	104·7	102	106·9	174·7	105·8	96·3	106·2	104	99	104
2	104·1	105	106·2	190·2	103·5	96·9	108·4	102	97	104
3	104·8	108	106·4	190·1	103·3	98·9	107·6	102	99	105
4	105·2	109	106·8	195·7	103·1	101·2	105·9	103	99	105
1978 *1*	106·0	111	107·4	209·5	103·0	101·4	107·5	104	101	106
2	108·0	114	111·1	228·7	105·1	107·6	111·6	106	103	106
3	108·7	115	111·7	236·3	105·4	107·4	112·6	105	105	107
4	108·7	113	110·7	255·6	103·7	105·8	109·1	108	105	107
1979 *1*	107·9	111	110·5	277·1	103·3	96·0	121·4	105	104	107
2	111·4	110	115·0	295·0	107·3	102·8	117·5	113	109	108
3	109·5	110	113·6	307·4	103·7	107·0	115·3	112	104	106
4	109·8	111	113·0	295·8	104·1	105·4	114·6	112	106	107

[1] Alternative estimates of the gross domestic product are given in the text of the article and in Table 1.

[2] As from 1970 the figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[3] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1977	*1*	103·3	1978	*1*	104·1	1979	*1* 104·8
	2	102·5		*2*	105·7		*2* 108·0
	3	103·1		*3*	106·3		*3* 106·0
	4	103·4		*4*	106·0		*4* 106·5

[4] This series may not be fully consistent with that shown on page 26 which includes the latest information.

Personal income, expenditure and saving

TABLE 4

£ million

	Personal income before tax													Personal disposable income at 1975 prices[10]
	Total[1]	Wages and salaries	Forces' pay	Employers' contributions[2]	Current grants from general government[3]	Other personal income[4, 5]	UK taxes on income (payments)[6]	National insurance, etc. contributions	Transfers abroad (net)	Total personal disposable income[7, 8]	Consumers' expenditure	Balance: personal saving[8, 9]		
1974	76,080	46,000	1,071	5,687	7,875	15,447	10,349	5,000	121	60,610	52,088	8,522	*14·1*	74,957
1975	96,362	58,972	1,283	7,944	10,283	17,880	15,077	6,848	143	74,294	63,905	10,389	*14·0*	74,294
1976	111,424	66,586	1,473	9,955	12,762	20,648	17,526	8,426	13	85,459	73,966	11,493	*13·4*	73,979
1977	124,735	73,622	1,500	10,859	15,097	23,657	18,329	9,508	44	96,854	84,010	12,844	*13·3*	72,860
1978	142,195	83,587	1,643	12,136	17,849	26,980	19,672	10,058	218	112,247	96,308	15,939	*14·2*	77,716
1979	166,797	97,234	2,015	14,244	20,942	32,362	21,620	11,518	374	133,285	112,245	21,040	*15·8*	82,406
Unadjusted														
1977 *1*	30,007	17,690	355	2,630	3,546	5,786	4,896	2,263	6	22,842	19,164	3,678	*16·1*	17,898
2	30,487	18,174	361	2,692	3,739	5,521	4,586	2,369	— 6	23,538	20,196	3,342	*14·2*	17,746
3	31,686	18,613	406	2,729	3,774	6,164	4,611	2,401	9	24,665	21,485	3,180	*12·9*	18,299
4	32,555	19,145	378	2,808	4,038	6,186	4,236	2,475	35	25,809	23,165	2,644	*10·2*	18,917
1978 *1*	33,507	19,606	385	2,841	4,216	6,459	4,957	2,512	78	25,960	22,143	3,817	*14·7*	18,456
2	34,994	20,704	420	3,011	4,469	6,390	5,005	2,441	44	27,504	23,066	4,438	*16·1*	19,137
3	36,329	21,398	413	3,095	4,431	6,992	4,789	2,508	51	28,981	24,718	4,263	*14·7*	19,928
4	37,365	21,879	425	3,189	4,733	7,139	4,921	2,597	45	29,802	26,381	3,421	*11·5*	20,196
1979 *1*	38,360	22,483	419	3,275	4,887	7,296	5,395	2,631	62	30,272	25,054	5,218	*17·2*	19,825
2	40,466	23,670	517	3,492	5,257	7,530	5,474	2,828	51	32,113	27,343	4,770	*14·9*	20,359
3	42,886	25,009	539	3,655	5,077	8,606	5,625	2,961	126	34,174	28,683	5,491	*16·1*	20,600
4	45,085	26,072	540	3,822	5,721	8,930	5,126	3,098	135	36,726	31,165	5,561	*15·1*	21,622
Seasonally adjusted														
1977 *1*	30,199	17,896	355	2,630	3,565	5,753	4,761	2,263	6	23,169	19,922	3,247	*14·0*	18,223
2	30,634	18,160	361	2,692	3,691	5,730	4,722	2,369	— 6	23,549	20,597	2,952	*12·5*	17,848
3	31,403	18,523	406	2,729	3,779	5,966	4,511	2,401	9	24,482	21,505	2,977	*12·2*	18,076
4	32,499	19,043	378	2,808	4,062	6,208	4,335	2,475	35	25,654	21,986	3,668	*14·3*	18,713
1978 *1*	33,562	19,818	385	2,841	4,219	6,299	4,835	2,512	78	26,137	22,952	3,185	*12·2*	18,684
2	35,292	20,683	420	3,011	4,384	6,794	5,141	2,441	44	27,666	23,558	4,108	*14·8*	19,343
3	36,080	21,289	413	3,095	4,466	6,817	4,681	2,508	51	28,840	24,659	4,181	*14·5*	19,751
4	37,261	21,797	425	3,189	4,780	7,070	5,015	2,597	45	29,604	25,139	4,465	*15·1*	19,938
1979 *1*	38,602	22,720	419	3,275	4,920	7,268	5,258	2,631	62	30,651	25,991	4,660	*15·2*	20,195
2	40,619	23,642	517	3,492	5,160	7,808	5,600	2,828	51	32,140	27,948	4,192	*13·0*	20,487
3	42,556	24,881	539	3,655	5,103	8,378	5,518	2,961	126	33,951	28,505	5,446	*16·0*	20,361
4	45,020	25,991	540	3,822	5,759	8,908	5,244	3,098	135	36,543	29,801	6,742	*18·5*	21,363

[1] Before providing for depreciation and stock appreciation.
[2] Employers' contributions to national insurance, etc. and pension funds.
[3] National insurance benefits, family allowances, assistance grants, war pensions and service grants, etc.
[4] Income from rent and self-employment, before providing for depreciation and stock appreciation, dividend and net interest receipts, transfers to charities from companies and an imputed charge for the capital consumption of private, non-profit-making bodies.
[5] From the second quarter of 1973 includes tax credits on dividends.
[6] From the second quarter of 1973 includes imputed tax payments set against tax credits on dividends *less* payments of these tax credits by the Inland Revenue.
[7] Equals total personal income before tax *less* payments of taxes on income, national insurance, etc. contributions and net transfers abroad.
[8] Before providing for depreciation, stock appreciation and additions to tax reserves.
[9] Personal saving as a percentage of total personal disposable income is shown in italics.
[10] Personal disposable income revalued by the implied consumers' expenditure deflator (1975 = 100).

Consumers' expenditure

TABLE 5

£ million

	Total	Food (household expenditure)	Alcoholic drink: Beer	Alcoholic drink: Wines spirits, etc.	Tobacco	Housing	Fuel and light	Clothing: Footwear	Clothing: Other	Durable goods: Total	Durable goods: Cars and motor cycles	Durable goods: Furniture and floor coverings	Durable goods: Radio and electrical goods, etc.	Other goods	Other services
At current prices															
1974	52,088	9,817	2,071	1,844	2,238	7,410	2,270	725	3,749	4,081	1,431	1,258	1,392	8,595	9,288
1975	63,905	12,072	2,680	2,176	2,748	9,286	2,914	845	4,328	5,008	1,810	1,548	1,650	10,520	11,328
1976	73,966	14,104	3,282	2,554	3,107	10,644	3,590	968	4,797	6,053	2,348	1,807	1,898	11,990	12,877
1977	84,010	16,199	3,788	2,751	3,632	12,386	4,258	1,101	5,270	6,622	2,618	1,930	2,074	13,747	14,256
1978	96,308	17,952	4,182	3,289	3,917	14,163	4,650	1,335	6,031	8,750	4,027	2,237	2,486	15,455	16,584
1979	112,245	20,441	4,854	4,035	4,203	16,416	5,327	1,601	6,715	10,361	4,928	2,536	2,897	18,403	19,889
Unadjusted															
1977 *1*	19,164	3,829	752	464	777	2,862	1,296	222	1,097	1,630	706	456	468	3,028	3,207
2	20,196	4,014	966	554	939	3,054	919	253	1,189	1,461	632	415	414	3,250	3,597
3	21,485	4,024	1,048	664	966	3,240	766	280	1,290	1,776	783	477	516	3,507	3,924
4	23,165	4,332	1,022	1,069	950	3,230	1,277	346	1,694	1,755	497	582	676	3,962	3,528
1978 *1*	22,143	4,232	891	565	894	3,330	1,478	260	1,218	2,138	1,057	513	568	3,418	3,719
2	23,066	4,339	1,044	697	1,008	3,475	983	310	1,376	1,988	990	490	508	3,659	4,187
3	24,718	4,610	1,129	790	1,011	3,680	829	345	1,489	2,390	1,203	566	621	3,917	4,528
4	26,381	4,771	1,118	1,237	1,004	3,678	1,360	420	1,948	2,234	777	668	789	4,461	4,150
1979 *1*	25,054	4,703	900	730	922	3,799	1,764	308	1,339	2,494	1,269	571	654	3,826	4,269
2	27,343	4,954	1,250	899	1,066	4,071	1,058	386	1,577	2,835	1,561	607	667	4,298	4,949
3	28,683	5,301	1,370	894	1,088	4,295	912	399	1,608	2,490	1,209	610	671	4,784	5,542
4	31,165	5,483	1,334	1,512	1,127	4,251	1,593	508	2,191	2,542	889	748	905	5,495	5,129
Revalued at 1975 prices															
1974	64,418	12,099	2,590	2,302	2,885	9,081	2,984	822	4,287	5,056	1,820	1,489	1,747	10,735	11,577
1975	63,905	12,072	2,680	2,176	2,748	9,286	2,914	845	4,328	5,008	1,810	1,548	1,650	10,520	11,328
1976	64,030	12,189	2,738	2,273	2,653	9,256	2,887	867	4,330	5,391	2,012	1,613	1,766	10,588	10,858
1977	63,198	12,049	2,728	2,209	2,523	9,400	2,962	854	4,248	5,005	1,854	1,463	1,688	10,536	10,684
1978	66,680	12,312	2,803	2,512	2,755	9,611	3,014	944	4,519	5,895	2,465	1,540	1,890	10,990	11,325
1979	69,398	12,526	2,834	2,747	2,715	9,997	3,179	1,006	4,662	6,260	2,650	1,557	2,053	11,202	12,270
Unadjusted															
1977 *1*	15,025	2,886	561	377	585	2,314	952	183	922	1,293	533	364	396	2,450	2,502
2	15,235	2,995	704	454	650	2,321	640	197	985	1,113	453	319	341	2,478	2,698
3	15,949	2,995	742	532	647	2,418	518	216	1,025	1,309	535	357	417	2,662	2,885
4	16,989	3,173	721	846	641	2,347	852	258	1,316	1,290	333	423	534	2,946	2,599
1978 *1*	15,745	2,977	610	444	629	2,375	985	190	940	1,480	672	366	442	2,498	2,617
2	16,053	2,991	695	532	719	2,371	636	223	1,040	1,348	618	342	388	2,628	2,870
3	17,000	3,166	751	601	712	2,467	525	242	1,109	1,576	719	387	470	2,788	3,063
4	17,882	3,178	747	935	695	2,398	868	289	1,430	1,491	456	445	590	3,076	2,775
1979 *1*	16,412	2,975	577	533	635	2,465	1,122	209	970	1,576	715	377	484	2,578	2,772
2	17,339	3,091	741	643	721	2,490	656	255	1,125	1,739	862	390	487	2,751	3,127
3	17,294	3,255	773	587	671	2,557	525	243	1,093	1,453	626	361	466	2,780	3,357
4	18,353	3,205	743	984	688	2,485	876	299	1,474	1,492	447	429	616	3,093	3,014
Seasonally adjusted															
1977 *1*	15,670	2,954	644	551	628	2,330	731	216	1,066	1,248	463	373	412	2,642	2,660
2	15,611	3,055	702	517	627	2,303	763	203	1,042	1,201	433	358	410	2,562	2,636
3	15,879	2,963	677	575	631	2,379	749	216	1,069	1,276	484	364	428	2,655	2,689
4	16,038	3,077	705	566	637	2,388	719	219	1,071	1,280	474	368	438	2,677	2,699
1978 *1*	16,403	3,045	702	632	676	2,386	745	224	1,088	1,416	582	375	459	2,689	2,800
2	16,467	3,052	691	606	693	2,355	759	231	1,105	1,447	596	384	467	2,717	2,811
3	16,883	3,130	682	648	695	2,424	771	243	1,160	1,519	644	394	481	2,791	2,820
4	16,927	3,085	728	626	691	2,446	739	246	1,166	1,513	643	387	483	2,793	2,894
1979 *1*	17,110	3,044	664	758	683	2,474	855	246	1,123	1,498	615	384	499	2,776	2,989
2	17,800	3,156	738	719	694	2,473	793	264	1,196	1,855	838	436	581	2,848	3,064
3	17,081	3,212	705	621	654	2,509	779	242	1,142	1,402	563	366	473	2,775	3,040
4	17,407	3,114	727	649	684	2,541	752	254	1,201	1,505	634	371	500	2,803	3,177

Appropriation account of companies and financial institutions

TABLE 6

£ million

	Income						Allocation of income						
		Income arising in the United Kingdom					Dividends and Interest, etc.						
		Gross trading profits											
	Total[1]	After deducting stock appreciation	Stock appreciation	Total[2]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4] Total	*of which* advance corporation tax[5]	Balance undistributed income[6]	Taxes paid abroad on income from abroad[1]
1974	18,742	5,963	4,706	10,669	5,250	2,823	1,518	4,411	668	2,740	1,020	9,405	4,178
1975	19,080	6,873	4,262	11,135	5,615	2,330	1,645	4,577	627	2,285	938	9,946	3,628
1976	24,439	9,323	4,999	14,322	6,754	3,363	1,897	4,995	984	2,192	1,015	14,371	4,415
1977	27,855	13,381	3,770	17,151	7,444	3,260	2,309	5,200	1,891	3,034	1,212	15,421	4,272
1978	31,701	16,151	3,014	19,165	8,317	4,219	2,758	5,369	2,002	3,779	1,363	17,793	4,048
1979	40,797	17,371	6,880	24,251	11,412	5,134	4,023	8,212	3,473	4,841	1,518	20,248	4,845
Unadjusted													
1977 *1*	7,166	2,996	1,465	4,461	1,886	819	432	1,402	424	1,271	315	3,637	1,086
2	7,032	3,414	881	4,295	1,888	849	647	1,330	527	423	247	4,105	1,113
3	6,724	3,211	842	4,053	1,876	795	606	1,237	458	617	347	3,806	1,037
4	6,933	3,760	582	4,342	1,794	797	624	1,231	482	723	303	3,873	1,036
1978 *1*	6,984	3,783	501	4,284	1,818	882	523	1,118	477	1,549	356	3,317	949
2	7,879	3,961	885	4,846	1,983	1,050	798	1,223	484	480	256	4,894	1,036
3	7,961	3,996	705	4,701	2,153	1,107	665	1,405	440	699	422	4,752	1,079
4	8,877	4,411	923	5,334	2,363	1,180	772	1,623	601	1,051	329	4,830	984
1979 *1*	8,959	3,666	1,492	5,158	2,587	1,214	586	1,761	701	1,717	414	4,194	1,163
2	10,384	4,628	1,792	6,420	2,689	1,275	905	1,882	925	892	345	5,780	1,251
3	10,343	4,121	1,903	6,024	2,936	1,383	1,021	2,099	930	769	369	5,524	1,263
4	11,111	4,956	1,693	6,649	3,200	1,262	1,511	2,470	917	1,463	390	4,750	1,168
Seasonally adjusted													
1977 *1*	7,186	2,970	1,465	4,435	1,897	854	538	1,436	422	709	283	4,081	1,094
2	7,031	3,457	881	4,338	1,870	823	549	1,322	503	707	311	3,950	1,102
3	6,946	3,418	842	4,260	1,881	805	604	1,247	493	807	301	3,795	1,007
4	6,692	3,536	582	4,118	1,796	778	618	1,195	473	811	317	3,595	1,069
1978 *1*	6,996	3,776	501	4,277	1,817	902	649	1,154	471	859	319	3,863	964
2	7,888	3,983	885	4,868	1,984	1,036	680	1,229	462	842	323	4,675	1,021
3	8,174	4,198	705	4,903	2,154	1,117	673	1,411	473	922	371	4,695	1,050
4	8,643	4,194	923	5,117	2,362	1,164	756	1,575	596	1,156	350	4,560	1,013
1979 *1*	8,983	3,667	1,492	5,159	2,586	1,238	722	1,816	695	1,032	375	4,718	1,185
2	10,380	4,631	1,792	6,423	2,691	1,266	773	1,882	898	1,230	422	5,597	1,236
3	10,551	4,331	1,903	6,234	2,937	1,380	1,040	2,095	963	1,207	308	5,246	1,261
4	10,883	4,742	1,693	6,435	3,198	1,250	1,488	2,419	917	1,372	413	4,687	1,163

[1] Taxes paid abroad are not included in total income, but are shown only as a memorandum item.
[2] Before providing for depreciation and stock appreciation.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] Mainly payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Including the additional charge in the financial year 1974–75.
[6] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of industrial and commercial companies

TABLE 7

£ million

	Income							Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1974	15,664	7,508	4,706	12,214	1,307	697	2,143	1,469	3,376	2,716	525	1,985	8,309	4,008
1975	15,846	8,647	4,262	12,909	1,296	621	1,641	1,608	3,352	2,674	447	1,566	8,873	3,451
1976	20,268	11,307	4,999	16,306	1,603	814	2,359	1,852	3,875	3,156	744	1,160	12,637	4,111
1977	23,170	15,551	3,770	19,321	1,534	654	2,315	2,242	3,784	3,058	1,631	1,955	13,558	3,879
1978	26,161	18,421	3,014	21,435	1,859	854	2,867	2,695	4,143	3,464	1,769	2,494	15,060	3,597
1979	33,128	19,807	6,880	26,687	2,544	1,286	3,897	3,954	6,052	5,449	3,179	3,291	16,652	4,380
Unadjusted														
1977 *1*	6,031	3,529	1,465	4,994	445	230	592	419	1,067	908	349	319	3,877	985
2	5,819	3,952	881	4,833	371	156	615	615	940	769	451	368	3,445	1,015
3	5,522	3,755	842	4,597	367	145	558	588	904	728	404	575	3,051	940
4	5,798	4,315	582	4,897	351	123	550	620	873	653	427	693	3,185	939
1978 *1*	5,828	4,341	501	4,842	376	141	610	515	784	628	417	404	3,708	833
2	6,590	4,522	885	5,407	448	203	735	752	977	820	424	418	4,019	920
3	6,502	4,569	705	5,274	490	235	738	650	1,112	939	383	657	3,700	969
4	7,241	4,989	923	5,912	545	275	784	778	1,270	1,077	545	1,015	3,633	875
1979 *1*	7,195	4,246	1,492	5,738	582	292	875	581	1,345	1,202	629	319	4,321	1,058
2	8,581	5,234	1,792	7,026	595	294	960	843	1,387	1,239	852	827	4,672	1,135
3	8,355	4,736	1,903	6,639	665	340	1,051	1,017	1,562	1,415	855	727	4,194	1,141
4	8,997	5,591	1,693	7,284	702	360	1,011	1,513	1,758	1,593	843	1,418	3,465	1,046
Seasonally adjusted														
1977 *1*	6,023	3,503	1,465	4,968	445	230	610	518	1,110	917	347	457	3,591	993
2	5,852	3,995	881	4,876	372	156	604	535	937	757	427	456	3,497	1,004
3	5,734	3,962	842	4,804	367	145	563	587	908	730	439	520	3,280	910
4	5,561	4,091	582	4,673	350	123	538	602	829	654	418	522	3,190	972
1978 *1*	5,843	4,334	501	4,835	375	141	633	633	824	637	411	567	3,408	848
2	6,601	4,544	885	5,429	449	203	723	660	976	808	402	556	4,007	905
3	6,705	4,771	705	5,476	491	235	738	656	1,115	941	416	608	3,910	940
4	7,012	4,772	923	5,695	544	275	773	746	1,228	1,078	540	763	3,735	904
1979 *1*	7,221	4,247	1,492	5,739	581	292	901	715	1,383	1,213	623	701	3,799	1,080
2	8,573	5,237	1,792	7,029	597	294	947	744	1,388	1,227	825	836	4,780	1,120
3	8,565	4,946	1,903	6,849	666	340	1,050	1,032	1,562	1,416	888	821	4,262	1,139
4	8,769	5,377	1,693	7,070	700	360	999	1,463	1,719	1,593	843	933	3,811	1,041

[1] Before providing for depreciation and stock appreciation.
[2] These items are included solely as memorandum items.
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.
[4] The residual of all companies payments and financial companies and institutions accruals of taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) and petroleum revenue tax.
[5] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of financial companies and institutions

TABLE 8

£ million

	Income						Allocation of income							
		Income arising in the United Kingdom					Dividends and interest, etc.							
			Rent and non-trading income					Other interest payments						
	Total	Gross trading profits[1, 2]	of the Banking sector	of Building societies	Other	Income from abroad (net of taxes paid abroad)	Dividends and debenture and loan interest payments[3]	by the Banking sector	by Building societies	Other	Profits due abroad (net of UK tax)	UK taxes on income[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[6]
1974	6,491	−1,545	4,608	1,930	818	680	277	2,204	1,743	273	143	755	1,096	170
1975	6,529	−1,774	4,494	2,248	872	689	298	1,971	2,002	286	180	719	1,073	177
1976	8,141	−1,984	5,325	2,650	1,146	1,004	326	2,203	2,298	308	240	1,032	1,734	304
1977	8,397	−2,170	4,891	3,132	1,599	945	379	1,771	2,717	328	260	1,079	1,863	393
1978	9,858	−2,270	5,524	3,343	1,909	1,352	419	2,078	2,757	353	233	1,285	2,733	451
1979	14,404	−2,436	8,648	4,677	2,278	1,237	488	3,691	4,321	464	294	1,550	3,596	465
Unadjusted														
1977 *1*	2,273	− 533	1,466	789	324	227	74	610	715	87	75	952	− 240	101
2	2,138	− 538	1,216	804	422	234	123	451	695	78	76	55	660	98
3	2,075	− 544	1,163	788	431	237	100	381	660	83	54	42	755	97
4	1,911	− 555	1,046	751	422	247	82	329	647	80	55	30	688	97
1978 *1*	1,925	− 558	1,021	763	427	272	78	342	606	85	60	1,145	− 391	116
2	2,312	− 561	1,303	774	481	315	150	483	595	87	60	62	875	116
3	2,633	− 573	1,492	856	489	369	97	562	736	87	57	42	1,052	110
4	2,988	− 578	1,708	950	512	396	94	691	820	94	56	36	1,197	109
1979 *1*	3,258	− 580	1,930	1,076	493	339	82	752	969	112	72	1,398	− 127	105
2	3,336	− 606	1,941	1,141	545	315	171	813	999	107	73	65	1,108	116
3	3,743	− 615	2,232	1,197	597	332	113	965	1,101	117	75	42	1,330	122
4	4,067	− 635	2,545	1,263	643	251	122	1,161	1,252	128	74	45	1,285	122
Seasonally adjusted														
1977 *1*	2,310	− 533	1,466	800	333	244	90	610	706	87	75	252	490	101
2	2,092	− 538	1,216	785	410	219	93	451	690	78	76	251	453	98
3	2,087	− 544	1,163	793	433	242	98	381	669	83	54	287	515	97
4	1,908	− 555	1,046	754	423	240	98	329	652	80	55	289	405	97
1978 *1*	1,931	− 558	1,021	763	436	269	96	342	601	85	60	292	455	116
2	2,298	− 561	1,303	774	469	313	110	483	604	87	60	286	668	116
3	2,645	− 573	1,492	856	491	379	98	562	742	87	57	314	785	110
4	2,984	− 578	1,708	950	513	391	115	691	810	94	56	393	825	109
1979 *1*	3,267	− 580	1,930	1,076	504	337	98	752	983	112	72	331	919	105
2	3,328	− 606	1,941	1,141	533	319	123	813	1,001	107	73	394	817	116
3	3,742	− 615	2,232	1,197	598	330	117	965	1,098	117	75	386	984	122
4	4,067	− 635	2,545	1,263	643	251	150	1,161	1,239	128	74	439	876	122

[1] Before providing for depreciation and stock appreciation, but the latter is negligible.

[2] This represents the contribution of financial companies and institutions to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses (wages and salaries and payments for current expenses) on the other.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] The accrual of corporation tax on taxable income including from 6 April 1973 advance corporation tax due from financial companies and institutions.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] This item is shown only as a memorandum item.

Appropriation account of public corporations

TABLE 9

£ million

	Income							Allocation of income				
		Gross trading surplus						Payments of interest and dividends				
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	*Of which* subsidies	Rent and non-trading income	Income from abroad	Total	To general government	Other	UK taxes on income (payments)[2]	Balance undistributed income[3]
1974	2,997	2,242	316	2,558	1,338	409	30	1,586	1,158	428	11	1,400
1975	3,599	2,745	348	3,093	1,140	466	40	1,906	1,341	565	12	1,681
1976	5,260	4,183	318	4,501	1,026	703	56	2,394	1,649	745	2	2,864
1977	5,884	4,770	320	5,090	1,039	742	52	2,533	1,774	759	21	3,330
1978	6,224	5,074	338	5,412	1,185	754	58	2,490	1,679	811	28	3,706
1979	6,545	5,083	564	5,647	1,383	826	72	2,724	1,893	831	68	3,753
Unadjusted												
1977 *1*	1,638	1,262	161	1,423	260	203	12	721	549	172	21	896
2	1,354	1,106	44	1,150	252	191	13	518	337	181	—	836
3	1,312	1,052	70	1,122	257	177	13	839	658	181	—	473
4	1,580	1,350	45	1,395	270	171	14	455	230	225	—	1,125
1978 *1*	1,589	1,266	125	1,391	290	185	13	741	553	188	28	820
2	1,458	1,214	48	1,262	291	183	13	528	292	236	—	930
3	1,344	1,084	59	1,143	297	188	13	681	514	167	—	663
4	1,833	1,510	106	1,616	307	198	19	540	320	220	—	1,293
1979 *1*	1,916	1,407	280	1,687	384	212	17	854	639	215	68	994
2	1,411	1,155	58	1,213	322	181	17	627	397	230	—	784
3	1,285	912	139	1,051	342	216	18	710	551	159	—	575
4	1,933	1,609	87	1,696	335	217	20	533	306	227	—	1,400
Seasonally adjusted												
1977 *1*	1,522	1,146	161	1,307	260	203	12	604	432	172	5	913
2	1,453	1,205	44	1,249	252	191	13	690	509	181	5	758
3	1,564	1,304	70	1,374	257	177	13	724	543	181	5	835
4	1,345	1,115	45	1,160	270	171	14	515	290	225	6	824
1978 *1*	1,456	1,133	125	1,258	290	185	13	627	439	188	7	822
2	1,576	1,332	48	1,380	291	183	13	654	418	236	7	915
3	1,582	1,322	59	1,381	297	188	13	565	398	167	7	1,010
4	1,610	1,287	106	1,393	307	198	19	644	424	220	7	959
1979 *1*	1,774	1,265	280	1,545	384	212	17	721	506	215	17	1,036
2	1,546	1,290	58	1,348	322	181	17	755	525	230	17	774
3	1,494	1,121	139	1,260	342	216	18	583	424	159	17	894
4	1,731	1,407	87	1,494	335	217	20	665	438	227	17	1,049

[1] Before providing for depreciation and stock appreciation.
[2] Payments to Inland Revenue *less* amounts deducted from dividends and interest paid.
[3] Before providing for depreciation, stock appreciation and additions to reserves.

Current account of central government including National Insurance Fund

TABLE 10

Receipts

£ million

	Total	Taxes on income[1]	Taxes on expenditure: National insurance surcharge	Taxes on expenditure: Other taxes	National insurance contributions	National health contributions	Redundancy Fund contributions[2]	Gross trading surplus[3]	Rent, dividends and interest	Imputed charge for consumption of non-trading capital
1974	28,246	12,514	—	8,380	4,713	235	52	51	2,142	159
1975	36,485	16,632	—	10,185	6,310	451	87	77	2,532	211
1976	42,686	18,872	—	12,043	7,707	605	114	37	3,049	259
1977	48,908	20,378	977	14,188	8,679	676	153	51	3,511	295
1978	54,105	22,321	1,738	15,796	9,118	758	182	47	3,816	329
1979	65,165	25,083	2,961	20,915	10,426	880	212	37	4,266	385
Unadjusted										
1977 *1*	12,379	5,988	—	3,046	2,072	160	31	15	997	70
2	11,710	4,735	319	3,454	2,160	169	40	13	748	72
3	12,568	4,939	324	3,688	2,190	171	40	28	1,113	75
4	12,251	4,716	334	4,000	2,257	176	42	− 5	653	78
1978 *1*	13,725	6,292	339	3,354	2,291	178	43	14	1,134	80
2	12,762	5,145	360	3,901	2,208	188	45	11	823	81
3	13,366	5,205	370	4,140	2,269	193	46	14	1,046	83
4	14,252	5,679	669	4,401	2,350	199	48	8	813	85
1979 *1*	15,581	6,918	679	4,021	2,381	201	49	10	1,233	89
2	15,345	6,023	727	4,727	2,559	217	52	−16	962	94
3	16,725	5,974	760	5,740	2,681	226	54	40	1,151	99
4	17,514	6,168	795	6,427	2,805	236	57	3	920	103
Seasonally adjusted										
1977 *1*	11,759	5,249	—	3,308	2,072	160	31	15	854	70
2	12,380	5,196	319	3,488	2,160	169	40	13	923	72
3	12,514	5,058	324	3,629	2,190	171	40	28	999	75
4	12,255	4,875	334	3,763	2,257	176	42	− 5	735	78
1978 *1*	13,004	5,426	339	3,650	2,291	178	43	14	983	80
2	13,507	5,690	360	3,963	2,208	188	45	11	961	81
3	13,334	5,351	370	4,081	2,269	193	46	14	927	83
4	14,260	5,854	669	4,102	2,350	199	48	8	945	85
1979 *1*	14,835	6,008	679	4,357	2,381	201	49	10	1,061	89
2	16,074	6,544	727	4,785	2,559	217	52	−16	1,112	94
3	16,891	6,357	760	5,662	2,681	226	54	40	1,012	99
4	17,365	6,174	795	6,111	2,805	236	57	3	1,081	103

[1] Tax receipts less tax credits.
[2] These include, from April 1977, contributions to the Maternity Pay Fund.
[3] Before providing for depreciation and stock appreciation.

Current account of central government including National Insurance Fund

TABLE 10 *(continued)*

	Expenditure												
	£ million												
			Final consumption										
	Total	Total current expend-iture	Total	Military defence	National health service	Other	Subsi-dies	National insur-ance benefits[1]	Other current grants to personal sector[1]	Debt interest	Current grants to local authori-ities	Current grants paid abroad	Balance: current surplus[2]
1974	28,246	27,487	9,920	4,012	3,572	2,336	2,716	4,922	2,638	2,233	4,738	320	759
1975	36,485	37,196	13,231	5,097	4,903	3,231	3,244	6,376	3,491	2,761	7,726	367	— 711
1976	42,686	44,858	15,756	6,145	5,788	3,823	2,985	7,918	4,290	3,737	9,388	784	—2,172
1977	48,908	49,737	17,370	6,784	6,475	4,111	2,862	9,225	5,167	4,641	9,370	1,102	— 829
1978	54,105	57,007	19,452	7,471	7,362	4,619	3,084	10,505	6,497	5,629	10,147	1,693	—2,902
1979	65,165	66,028	22,292	8,622	8,535	5,135	3,442	11,917	8,109	6,830	11,410	2,028	— 863
Unadjusted													
1977 *1*	12,379	12,227	4,166	1,605	1,532	1,029	772	2,253	1,099	1,246	2,379	312	152
2	11,710	12,237	4,277	1,665	1,607	1,005	708	2,229	1,314	1,041	2,399	269	— 527
3	12,568	12,450	4,435	1,770	1,644	1,021	671	2,272	1,307	1,270	2,202	293	118
4	12,251	12,823	4,492	1,744	1,692	1,056	711	2,471	1,447	1,084	2,390	228	— 572
1978 *1*	13,725	13,994	4,708	1,771	1,768	1,169	762	2,595	1,353	1,468	2,536	572	— 269
2	12,762	13,827	4,731	1,856	1,749	1,126	740	2,583	1,622	1,178	2,626	347	—1,065
3	13,366	14,318	4,924	1,887	1,897	1,140	772	2,583	1,653	1,544	2,425	417	— 952
4	14,252	14,868	5,089	1,957	1,948	1,184	810	2,744	1,869	1,439	2,560	357	— 616
1979 *1*	15,581	15,750	5,238	1,986	1,960	1,292	862	2,904	1,712	1,687	2,765	582	— 169
2	15,345	16,090	5,367	2,107	2,062	1,198	878	2,838	2,147	1,529	2,876	455	— 745
3	16,725	16,571	5,717	2,204	2,206	1,307	812	2,832	2,015	1,928	2,786	481	154
4	17,514	17,617	5,970	2,325	2,307	1,338	890	3,343	2,235	1,686	2,983	510	— 103
Seasonally adjusted													
1977 *1*	11,759	11,825	4,117	1,605	1,538	974	720	2,253	1,150	1,187	2,161	237	— 66
2	12,380	12,456	4,305	1,665	1,600	1,040	733	2,250	1,271	1,134	2,472	291	— 76
3	12,514	12,505	4,458	1,770	1,647	1,041	690	2,281	1,316	1,161	2,275	324	9
4	12,255	12,951	4,490	1,744	1,690	1,056	719	2,441	1,430	1,159	2,462	250	— 696
1978 *1*	13,004	13,353	4,652	1,771	1,776	1,105	719	2,595	1,420	1,222	2,283	462	— 349
2	13,507	14,257	4,760	1,856	1,740	1,164	761	2,605	1,569	1,460	2,710	392	— 750
3	13,334	14,429	4,953	1,887	1,901	1,165	788	2,591	1,660	1,469	2,509	459	—1,095
4	14,260	14,968	5,087	1,957	1,945	1,185	816	2,714	1,848	1,478	2,645	380	— 708
1979 *1*	14,835	15,063	5,185	1,986	1,968	1,231	812	2,904	1,797	1,569	2,346	450	— 228
2	16,074	16,449	5,391	2,107	2,051	1,233	902	2,861	2,080	1,678	3,015	522	— 375
3	16,891	16,705	5,750	2,204	2,212	1,334	830	2,840	2,022	1,809	2,926	528	186
4	17,365	17,811	5,966	2,325	2,304	1,337	898	3,312	2,210	1,774	3,123	528	— 446

[1] National insurance benefits includes the bulk of the pensioners' Christmas bonuses paid in 1974 and 1979; all the bonuses paid in 1977 and 1978 are included in other current grants to personal sector.

[2] Before providing for depreciation and stock appreciation.

Current account of local authorities

TABLE 11

	Receipts							
	£ million							
	Total	Current grants from central government	Rates		Gross trading surplus[1]	Rent	Dividends and interest	Imputed charge for consumption of non-trading capital
			Cash receipts	Accruals adjustment[2]				
1974	9,850	4,738	3,083	6	97	1,206	342	378
1975	14,201	7,726	4,127	−149	78	1,476	454	489
1976	16,908	9,388	4,646	−143	100	1,798	539	580
1977	17,747	9,370	5,249	−172	121	1,971	556	652
1978	19,363	10,147	5,779	− 98	137	2,168	520	710
1979	21,909	11,410	6,887	−348	145	2,476	524	815
Unadjusted								
1977 *1*	4,360	2,379	786	379	29	487	142	158
2	4,507	2,399	1,461	−169	29	491	135	161
3	4,339	2,202	1,312	− 8	32	493	143	165
4	4,541	2,390	1,690	−374	31	500	136	168
1978 *1*	4,720	2,536	776	551	34	515	136	172
2	4,931	2,626	1,772	−333	34	527	130	175
3	4,767	2,425	1,346	106	34	550	127	179
4	4,945	2,560	1,885	−422	35	576	127	184
1979 *1*	5,208	2,765	824	649	36	591	151	192
2	5,514	2,876	2,119	−441	36	613	112	199
3	5,472	2,786	1,662	26	36	627	128	207
4	5,715	2,983	2,282	−582	37	645	133	217
Seasonally adjusted								
1977 *1*	4,141	2,161	1,165		29	487	141	158
2	4,585	2,472	1,292		29	491	140	161
3	4,413	2,275	1,304		32	493	144	165
4	4,608	2,462	1,316		31	500	131	168
1978 *1*	4,465	2,283	1,327		34	515	134	172
2	5,020	2,710	1,439		34	527	135	175
3	4,851	2,509	1,452		34	550	127	179
4	5,027	2,645	1,463		35	576	124	184
1979 *1*	4,787	2,346	1,473		36	591	149	192
2	5,657	3,015	1,678		36	613	116	199
3	5,613	2,926	1,688		36	627	129	207
4	5,852	3,123	1,700		37	645	130	217

[1] Before providing for depreciation and stock appreciation.
[2] Adjustments to accruals of rates for the quarter, as included in taxes on expenditure and in the adjustment to factor cost in Table 1.

Current account of local authorities

TABLE 11 (*continued*)

	Expenditure								
	£ million								
	Total	Total current expenditure	Final consumption			Subsidies	Current grants to personal sector	Debt interest	Balance: current surplus[1]
			Total	Education	Other				
1974	9,850	9,287	6,638	3,196	3,442	288	315	2,046	563
1975	14,201	13,040	9,819	4,943	4,876	472	416	2,333	1,161
1976	16,908	14,713	10,927	5,351	5,576	475	554	2,757	2,195
1977	17,747	15,914	11,783	5,760	6,023	462	705	2,964	1,833
1978	19,363	17,651	13,365	6,428	6,937	512	847	2,927	1,712
1979	21,909	20,299	15,301	7,198	8,103	637	916	3,445	1,610
Unadjusted									
1977 *1*	4,360	4,099	2,851	1,402	1,449	115	194	939	261
2	4,507	3,830	2,973	1,466	1,507	120	196	541	677
3	4,339	4,072	2,927	1,414	1,513	121	195	829	267
4	4,541	3,913	3,032	1,478	1,554	106	120	655	628
1978 *1*	4,720	4,520	3,221	1,535	1,686	115	268	916	200
2	4,931	4,260	3,313	1,628	1,685	123	264	560	671
3	4,767	4,402	3,316	1,567	1,749	134	195	757	365
4	4,945	4,469	3,515	1,698	1,817	140	120	694	476
1979 *1*	5,208	5,002	3,544	1,715	1,829	150	271	1,037	206
2	5,514	4,842	3,751	1,755	1,996	159	272	660	672
3	5,472	5,323	3,952	1,853	2,099	173	230	968	149
4	5,715	5,132	4,054	1,875	2,179	155	143	780	583
Seasonally adjusted									
1977 *1*	4,141	3,862	2,833	1,384	1,449	115	162	752	279
2	4,585	3,972	2,956	1,449	1,507	120	170	726	613
3	4,413	4,055	2,976	1,463	1,513	121	182	776	358
4	4,608	4,025	3,018	1,464	1,554	106	191	710	583
1978 *1*	4,465	4,246	3,201	1,515	1,686	115	204	726	219
2	5,020	4,380	3,292	1,607	1,685	123	210	755	640
3	4,851	4,418	3,372	1,623	1,749	134	215	697	433
4	5,027	4,607	3,500	1,683	1,817	140	218	749	420
1979 *1*	4,787	4,706	3,522	1,693	1,829	150	219	815	81
2	5,657	4,990	3,726	1,730	1,996	159	219	886	667
3	5,613	5,332	4,018	1,919	2,099	173	241	900	281
4	5,852	5,271	4,035	1,856	2,179	155	237	844	581

[1] Before providing for depreciation and stock appreciation.

International transactions

TABLE 12

	United Kingdom credits							
	£ million							
	At current prices						Revalued at 1975 prices	
		Exports and property income from abroad						
	Total credits	Exports of goods[1]	Exports of services	Property income from abroad	United Kingdom taxes paid by non-residents	Current transfers to personal sector	Exports of goods	Exports of services
1974	31,217	16,395	6,571	7,508	410	333	20,138	7,533
1975	34,368	19,330	7,680	6,496	502	360	19,330	7,680
1976	44,507	25,193	9,997	8,346	475	496	21,242	8,234
1977	52,540	31,734	11,581	8,285	370	570	22,889	8,531
1978	57,964	35,071	12,250	9,373	640	630	23,490	8,536
1979	66,876	40,689	13,467	11,288	814	618	24,327	8,330
Unadjusted								
1977 *1*	12,271	7,488	2,511	2,047	86	139	5,618	1,901
2	13,204	8,004	2,814	2,141	104	141	5,790	2,079
3	13,735	8,116	3,358	2,030	87	144	5,784	2,446
4	13,330	8,126	2,898	2,067	93	146	5,697	2,105
1978 *1*	13,292	8,210	2,685	2,099	148	150	5,679	1,958
2	14,762	9,120	2,909	2,392	180	161	6,149	2,009
3	14,838	8,502	3,563	2,463	150	160	5,633	2,457
4	15,072	9,239	3,093	2,419	162	159	6,029	2,112
1979 *1*	14,246	8,428	2,834	2,664	162	158	5,304	1,875
2	17,210	10,794	3,185	2,858	219	154	6,619	2,018
3	17,351	10,108	3,900	2,986	208	149	5,961	2,370
4	18,069	11,359	3,548	2,780	225	157	6,443	2,067
Seasonally adjusted								
1977 *1*	12,521	7,428	2,770	2,097	87	139	5,578	2,097
2	13,042	7,827	2,881	2,094	99	141	5,663	2,124
3	13,648	8,423	2,971	2,015	95	144	5,999	2,160
4	13,329	8,056	2,959	2,079	89	146	5,649	2,150
1978 *1*	13,749	8,390	2,921	2,139	149	150	5,803	2,125
2	14,350	8,676	2,985	2,352	176	161	5,850	2,055
3	14,853	8,933	3,158	2,447	155	160	5,918	2,187
4	15,012	9,072	3,186	2,435	160	159	5,919	2,169
1979 *1*	14,518	8,373	3,099	2,716	172	158	5,269	2,042
2	17,100	10,658	3,267	2,818	203	154	6,537	2,061
3	17,440	10,641	3,448	2,987	215	149	6,274	2,103
4	17,818	11,017	3,653	2,767	224	157	6,247	2,124

[1] On a balance of payments basis.

International transactions

TABLE 12 (*continued*)

United Kingdom debits

£ million

	At current prices									Revalued at 1975 prices	
			Imports and property income paid abroad				Current transfers				
	Total[1]	Total debits[1]	Imports of goods[2]	Imports of services	Property income paid abroad	Foreign taxes paid by United Kingdom residents	From personal sector	From central govern-ment[1]	Balance: net investment and capital transfers abroad[3]	Imports of goods	Imports of services
1974	31,217	34,644	21,745	5,630	2,284	4,211	454	320	−3,427	24,814	6,428
1975	34,368	36,100	22,663	6,331	2,576	3,660	503	367	−1,732	22,663	6,331
1976	44,507	45,709	29,104	7,790	3,070	4,452	509	784	−1,202	23,991	6,232
1977	52,540	52,764	33,973	8,621	4,133	4,321	614	1,102	− 224	24,449	6,083
1978	57,964	57,032	36,564	8,975	4,855	4,097	848	1,693	932	25,524	6,129
1979	66,876	69,313	44,001	10,397	6,992	4,903	992	2,028	−2,437	28,482	6,660
Unadjusted											
1977 *1*	12,271	12,951	8,566	1,905	926	1,097	145	312	− 680	6,241	1,369
2	13,204	13,687	8,893	2,108	1,157	1,125	135	269	− 483	6,407	1,487
3	13,735	13,217	8,259	2,490	972	1,050	153	293	518	5,926	1,743
4	13,330	12,909	8,255	2,118	1,078	1,049	181	228	421	5,875	1,484
1978 *1*	13,292	13,739	8,916	1,959	1,104	960	228	572	− 447	6,360	1,384
2	14,762	14,445	9,298	2,267	1,279	1,049	205	347	317	6,483	1,532
3	14,838	14,392	8,969	2,602	1,100	1,093	211	417	446	6,213	1,772
4	15,072	14,456	9,381	2,147	1,372	995	204	357	616	6,468	1,441
1979 *1*	14,246	15,647	10,089	2,164	1,414	1,178	220	582	−1,401	6,706	1,439
2	17,210	17,681	11,339	2,535	1,883	1,264	205	455	− 471	7,426	1,649
3	17,351	17,428	10,622	3,010	1,761	1,279	275	481	− 77	6,925	1,959
4	18,069	18,557	11,951	2,688	1,934	1,182	292	510	− 488	7,425	1,613
Seasonally adjusted											
1977 *1*	12,521	13,067	8,508	2,099	972	1,106	145	237	− 546	6,204	1,506
2	13,042	13,484	8,750	2,116	1,075	1,117	135	291	− 442	6,302	1,495
3	13,648	13,282	8,520	2,212	1,051	1,022	153	324	366	6,113	1,538
4	13,329	12,931	8,195	2,194	1,035	1,076	181	250	398	5,830	1,544
1978 *1*	13,749	14,019	9,023	2,185	1,146	975	228	462	− 270	6,435	1,540
2	14,350	13,938	8,862	2,272	1,173	1,034	205	392	412	6,179	1,533
3	14,853	14,597	9,401	2,265	1,197	1,064	211	459	256	6,513	1,542
4	15,012	14,478	9,278	2,253	1,339	1,024	204	380	534	6,397	1,514
1979 *1*	14,518	15,733	9,961	2,425	1,477	1,200	220	450	−1,215	6,623	1,611
2	17,100	17,410	11,144	2,535	1,755	1,249	205	522	− 310	7,301	1,651
3	17,440	17,678	11,134	2,596	1,868	1,277	275	528	− 238	7,255	1,682
4	17,818	18,492	11,762	2,841	1,892	1,177	292	528	− 674	7,303	1,716

[1] Net of receipts from the EEC.
[2] On a balance of payments basis.
[3] Equal to the current balance in the balance of payments accounts.

Summary capital account

TABLE 13

Receipts

£ million

	Total	Saving[1]					Capital transfers (net)				
		Total	Personal sector	Companies	Public corporations	General government	Personal sector	Companies	Public corporations[2]	General government[2]	Residual error
1974	20,736	20,649	8,522	9,405	1,400	1,322	−324	139	215	− 105	162
1975	22,865	22,466	10,389	9,946	1,681	450	−305	339	280	− 314	399
1976	29,491	28,751	11,493	14,371	2,864	23	− 57	261	368	− 572	740
1977	32,259	32,599	12,844	15,421	3,330	1,004	76	156	396	− 628	− 340
1978	35,491	36,248	15,939	17,793	3,706	−1,190	276	297	505	−1,078	− 757
1979	42,172	45,788	21,040	20,248	3,753	747	146	145	514	− 805	−3,616
Unadjusted											
1977 *1*	8,025	8,624	3,678	3,637	896	413	35	34	146	− 215	− 599
2	7,317	8,433	3,342	4,105	836	150	1	67	90	− 158	−1,116
3	8,131	7,844	3,180	3,806	473	385	26	35	70	− 131	287
4	8,786	7,698	2,644	3,873	1,125	56	14	20	90	− 124	1,088
1978 *1*	7,773	7,885	3,817	3,317	820	− 69	63	174	163	− 400	− 112
2	8,647	9,868	4,438	4,894	930	− 394	61	52	88	− 201	−1,221
3	9,055	9,091	4,263	4,752	663	− 587	69	44	131	− 244	− 36
4	10,016	9,404	3,421	4,830	1,293	− 140	83	27	123	− 233	612
1979 *1*	9,445	10,443	5,218	4,194	994	37	31	− 13	129	− 147	− 998
2	9,967	11,261	4,770	5,780	784	− 73	40	85	113	− 238	−1,294
3	11,317	11,893	5,491	5,524	575	303	20	67	132	− 219	− 576
4	11,443	12,191	5,561	4,750	1,400	480	55	6	140	− 201	− 748
Seasonally adjusted											
1977 *1*	8,089	8,454	3,247	4,081	913	213	29	54	104	− 187	− 365
2	7,652	8,197	2,952	3,950	758	537	20	58	119	− 197	− 545
3	8,130	7,974	2,977	3,795	835	367	31	21	83	− 135	156
4	8,388	7,974	3,668	3,595	824	− 113	− 4	23	90	− 109	414
1978 *1*	7,824	7,740	3,185	3,863	822	− 130	55	201	114	− 370	84
2	9,089	9,588	4,108	4,675	915	− 110	84	38	110	− 232	− 499
3	9,040	9,224	4,181	4,695	1,010	− 662	75	28	156	− 259	− 184
4	9,538	9,696	4,465	4,560	959	− 288	62	30	125	− 217	− 158
1979 *1*	9,531	10,267	4,660	4,718	1,036	− 147	27	33	89	− 149	− 736
2	10,656	10,855	4,192	5,597	774	292	61	62	135	− 258	− 199
3	11,239	12,053	5,446	5,246	894	467	23	41	149	− 213	− 814
4	10,746	12,613	6,742	4,687	1,049	135	35	9	141	− 185	−1,867

[1] Before providing for depreciation, stock appreciation, and additions to reserves.
[2] Excluding financial transactions on the writing-off of debt.

Summary capital account

TABLE 13 (*continued*)

Payments

£ million

	Gross capital formation[1]					Balance: net investment abroad[2]	Net acquisition of financial assets[3]			
	Total	Total	Personal sector	Companies	Public corporations	General government		Personal sector	Companies	Public corporations	General government
1974	20,736	24,238	3,158	13,527	3,103	4,450	−3,502	5,040	−3,983	−1,488	−3,233
1975	22,865	24,597	3,645	10,976	4,911	5,065	−1,732	6,439	− 691	−2,950	−4,929
1976	29,491	30,693	4,602	15,267	5,342	5,482	−1,202	6,834	− 635	−2,110	−6,031
1977	32,259	32,483	5,502	17,147	4,898	4,936	− 224	7,418	−1,570	−1,172	−4,560
1978	35,491	34,559	6,530	18,038	5,318	4,673	932	9,685	52	−1,107	−6,941
1979	42,172	44,609	7,859	25,319	6,086	5,345	−2,437	13,327	−4,926	−1,819	−5,403
Unadjusted											
1977 *1*	8,025	8,705	1,328	4,539	1,272	1,566	− 680	2,385	− 868	− 230	−1,368
2	7,317	7,800	1,387	4,265	1,120	1,028	− 483	1,956	− 93	− 194	−1,036
3	8,131	7,613	1,275	3,909	1,262	1,167	518	1,931	− 68	− 719	− 913
4	8,786	8,365	1,512	4,434	1,244	1,175	421	1,146	− 541	− 29	−1,243
1978 *1*	7,773	8,220	1,427	4,206	1,175	1,412	− 447	2,453	− 715	− 192	−1,881
2	8,647	8,330	1,673	4,382	1,319	956	317	2,826	564	− 301	−1,551
3	9,055	8,609	1,643	4,429	1,374	1,163	446	2,689	367	− 580	−1,994
4	10,016	9,400	1,787	5,021	1,450	1,142	616	1,717	− 164	− 34	−1,515
1979 *1*	9,445	10,846	1,599	6,134	1,584	1,529	−1,401	3,650	−1,953	− 461	−1,639
2	9,967	10,438	1,978	6,159	1,258	1,043	− 471	2,832	− 294	− 361	−1,354
3	11,317	11,394	1,869	6,478	1,670	1,377	− 77	3,642	− 887	− 963	−1,293
4	11,443	11,931	2,413	6,548	1,574	1,396	− 488	3,203	−1,792	− 34	−1,117
Seasonally adjusted											
1977 *1*	8,089	8,635	1,378	4,631	1,328	1,298	− 546	1,898	− 496	− 311	−1,272
2	7,652	8,094	1,327	4,411	1,155	1,201	− 442	1,645	− 403	− 278	− 861
3	8,130	7,764	1,331	3,952	1,240	1,241	366	1,677	− 136	− 322	−1,009
4	8,388	7,990	1,466	4,153	1,175	1,196	398	2,198	− 535	− 261	−1,418
1978 *1*	7,824	8,094	1,493	4,202	1,225	1,174	− 270	1,747	− 138	− 289	−1,674
2	9,089	8,677	1,588	4,555	1,402	1,132	412	2,604	158	− 377	−1,474
3	9,040	8,784	1,725	4,523	1,303	1,233	256	2,531	200	− 137	−2,154
4	9,538	9,004	1,724	4,758	1,388	1,134	534	2,803	− 168	− 304	−1,639
1979 *1*	9,531	10,746	1,676	6,218	1,639	1,213	−1,215	3,011	−1,467	− 514	−1,509
2	10,656	10,966	1,887	6,496	1,332	1,251	− 310	2,366	− 837	− 423	−1,217
3	11,239	11,477	1,965	6,446	1,620	1,446	− 238	3,504	−1,159	− 577	−1,192
4	10,746	11,420	2,331	6,159	1,495	1,435	− 674	4,446	−1,463	− 305	−1,485

[1] Gross fixed capital formation *plus* the increase in book value of stocks and work in progress.
[2] Equals, apart from the change in sign, the net acquisition of financial assets by the overseas sector.
[3] This balance is equal to saving *plus* capital transfers *less* gross capital formation.

Gross domestic fixed capital formation by sector and by type of asset

TABLE 14

£ million

	Total	Private sector[1]	General government[1]	Public corporations[1]	Vehicles, ships and aircraft	Plant and machinery	Dwellings		Other new building and works[2]
							Private	Public	
At current prices									
1974	16,926	9,697	4,376	2,853	1,839	5,725	1,706	1,481	6,175
1975	20,545	11,545	4,974	4,026	2,023	6,863	2,182	1,964	7,513
1976	23,584	13,534	5,396	4,654	2,389	8,208	2,411	2,310	8,266
1977	25,890	16,379	4,801	4,710	3,101	9,796	2,455	2,299	8,239
1978	29,331	19,869	4,536	4,926	3,673	11,286	3,148	2,084	9,140
1979	32,705	22,060	5,209	5,436	4,095	12,777	3,226	2,291	10,316
Unadjusted									
1977 *1*	6,228	3,431	1,541	1,256	724	2,357	489	646	2,012
2	6,056	3,995	1,004	1,057	767	2,187	589	513	2,000
3	6,434	4,167	1,110	1,157	781	2,466	641	553	1,993
4	7,172	4,786	1,146	1,240	829	2,786	736	587	2,234
1978 *1*	7,240	4,602	1,382	1,256	993	2,718	764	590	2,175
2	6,969	4,901	929	1,139	948	2,627	768	441	2,185
3	7,255	4,930	1,116	1,209	888	2,787	752	541	2,287
4	7,867	5,436	1,109	1,322	844	3,154	864	512	2,493
1979 *1*	7,674	4,764	1,501	1,409	998	3,045	666	579	2,386
2	7,485	5,308	996	1,181	1,156	2,848	758	473	2,250
3	8,284	5,565	1,334	1,385	980	3,216	755	596	2,737
4	9,262	6,423	1,378	1,461	961	3,668	1,047	643	2,943
Revalued at 1975 prices									
1974	20,636	11,715	5,365	3,556	2,326	7,060	2,004	1,822	7,424
1975	20,545	11,545	4,974	4,026	2,023	6,863	2,182	1,964	7,513
1976	20,611	11,822	4,795	3,994	2,016	6,861	2,177	2,083	7,474
1977	20,177	12,580	3,970	3,627	2,148	7,150	2,029	1,932	6,918
1978	20,559	13,641	3,470	3,448	2,114	7,506	2,310	1,640	6,989
1979	20,006	13,265	3,422	3,319	2,132	7,883	1,960	1,556	6,475
Unadjusted									
1977 *1*	5,048	2,753	1,297	998	549	1,786	421	554	1,738
2	4,812	3,141	844	827	551	1,614	497	436	1,714
3	4,957	3,167	911	879	528	1,778	526	463	1,662
4	5,360	3,519	918	923	520	1,972	585	479	1,804
1978 *1*	5,276	3,272	1,091	913	595	1,872	594	480	1,735
2	4,956	3,428	720	808	553	1,758	579	354	1,712
3	5,040	3,352	847	841	498	1,838	544	424	1,736
4	5,287	3,589	812	886	468	2,038	593	382	1,806
1979 *1*	5,001	3,048	1,045	908	549	1,926	439	420	1,667
2	4,668	3,253	675	740	611	1,774	482	332	1,469
3	5,014	3,313	863	838	503	1,976	455	404	1,676
4	5,323	3,651	839	833	469	2,207	584	400	1,663
Seasonally adjusted									
1977 *1*	4,923	2,949	1,072	902	520	1,718	430	509	1,746
2	5,088	3,185	990	913	565	1,742	507	475	1,799
3	5,006	3,103	973	930	559	1,826	537	479	1,605
4	5,160	3,343	935	882	504	1,864	555	469	1,768
1978 *1*	5,169	3,431	905	833	567	1,829	611	440	1,722
2	5,222	3,461	859	902	576	1,889	588	386	1,783
3	5,084	3,329	898	857	505	1,880	551	441	1,707
4	5,084	3,420	808	856	466	1,908	560	373	1,777
1979 *1*	4,903	3,233	831	839	528	1,891	453	384	1,647
2	4,979	3,349	815	815	615	1,917	491	374	1,582
3	5,052	3,292	910	850	521	2,026	462	407	1,636
4	5,072	3,391	866	815	468	2,049	554	391	1,610

[1] Including purchases *less* sales of land and existing buildings.
[2] Including transfer costs of land and buildings.

Gross domestic fixed capital formation by industry group

TABLE 15

£ million

	Total	Petroleum and natural gas	Other mining and quarrying	Manufacturing[1]	Gas, electricity and water	Transport and communication	Distributive trades[1]	Other industries[2]	Dwellings	Public services	Transfer costs of land and buildings
At current prices											
1974	16,926	604	139	3,067	952	1,993	976	2,988	3,187	2,525	495
1975	20,545	1,348	201	3,522	1,242	2,337	1,034	3,095	4,146	2,995	625
1976	23,584	2,067	289	3,955	1,400	2,382	1,133	3,566	4,721	3,371	700
1977	25,890	2,110	362	4,974	1,332	2,759	1,535	4,316	4,754	2,958	790
1978	29,331	2,166	533	5,841	1,457	2,822	1,741	5,325	5,232	3,193	1,021
1979	32,705	2,043	600	6,500	1,612	2,879	2,134	6,499	5,517	3,588	1,333
1977 *1*	6,228	303	96	1,132	394	693	332	1,022	1,135	960	161
2	6,056	707	71	1,126	281	652	359	978	1,102	596	184
3	6,434	524	95	1,261	330	667	400	1,052	1,194	695	216
4	7,172	576	100	1,455	327	747	444	1,264	1,323	707	229
1978 *1*	7,240	446	150	1,351	366	757	397	1,275	1,354	917	227
2	6,969	635	106	1,363	321	714	421	1,285	1,209	668	247
3	7,255	561	132	1,460	374	699	423	1,265	1,293	780	268
4	7,867	524	145	1,667	396	652	500	1,500	1,376	828	279
1979 *1*	7,674	411	170	1,513	414	694	467	1,455	1,245	1,046	259
2	7,485	418	124	1,483	349	747	488	1,666	1,231	675	304
3	8,284	595	158	1,659	412	704	561	1,582	1,351	886	376
4	9,262	619	148	1,845	437	734	618	1,796	1,690	981	394
Revalued at 1975 prices											
1974	20,636	707	173	3,782	1,196	2,438	1,191	3,597	3,826	3,209	517
1975	20,545	1,348	201	3,522	1,242	2,337	1,034	3,095	4,146	2,995	625
1976	20,611	1,841	248	3,341	1,205	2,012	990	3,128	4,260	2,953	633
1977	20,177	1,697	272	3,637	1,029	2,036	1,161	3,314	3,961	2,409	661
1978	20,559	1,589	360	3,853	1,024	1,800	1,194	3,681	3,950	2,381	727
1979	20,006	1,282	362	3,841	992	1,657	1,309	4,071	3,516	2,281	695
Unadjusted											
1977 *1*	5,048	251	76	870	314	537	265	821	975	799	140
2	4,812	588	55	837	221	494	278	756	933	490	160
3	4,957	413	70	909	254	486	300	795	989	563	178
4	5,360	445	71	1,021	240	519	318	942	1,064	557	183
1978 *1*	5,276	337	106	924	265	492	280	911	1,074	711	176
2	4,956	480	72	907	230	460	292	892	933	503	187
3	5,040	403	87	957	262	438	288	874	968	577	186
4	5,287	369	95	1,065	267	410	334	1,004	975	590	178
1979 *1*	5,001	282	106	941	273	419	302	943	859	713	163
2	4,668	269	77	893	221	429	305	1,050	814	443	167
3	5,014	367	94	974	251	400	343	988	859	555	183
4	5,323	364	85	1,033	247	409	359	1,090	984	570	182
Seasonally adjusted											
1977 *1*	4,923	338	64	876	274	514	273	812	939	679	154
2	5,088	482	64	898	259	529	285	787	982	642	160
3	5,006	410	71	920	255	518	306	829	1,016	512	169
4	5,160	467	73	943	241	475	297	886	1,024	576	178
1978 *1*	5,169	436	89	945	228	472	289	913	1,051	555	191
2	5,222	387	84	970	268	497	301	925	974	630	186
3	5,084	388	90	966	260	446	294	906	992	565	177
4	5,084	378	97	972	268	385	310	937	933	631	173
1979 *1*	4,903	325	88	973	244	396	311	947	837	605	177
2	4,979	224	90	947	255	449	315	1,102	865	566	166
3	5,052	358	98	979	244	420	350	1,028	869	532	174
4	5,072	375	86	942	249	392	333	994	945	578	178

[1] Further details are given in the *Monthly Digest of Statistics*.

[2] Covers agriculture, forestry, fishing, construction and other service industries.

Value of physical increase in stocks and work in progress

TABLE 16

£ million

	At current prices					Revalued at 1975 prices				
			Distributive trades					Distributive trades		
	All industries	Manufacturing[1]	Retail	Wholesale	Other industries	All industries	Manufacturing[1]	Retail	Wholesale	Other industries
Book values end-December										
1978	*55,075*	*30,741*	*5,680*	*7,185*	*11,469*	*37,261*	*20,084*	*3,825*	*4,671*	*8,681*
1974	1,255	1,104	— 152	323	— 20	1,655	1,281	— 185	361	198
1975	— 1,477	— 1,120	— 106	— 247	— 4	— 1,477	— 1,120	— 106	— 247	— 4
1976	667	476	261	182	— 252	457	351	219	131	— 244
1977	1,633	674	59	621	279	1,193	509	48	412	224
1978	1,024	769	531	— 57	— 219	740	547	364	— 15	— 156
1979	3,177	426	651	303	1,797	1,867	269	402	178	1,018
Unadjusted										
1977 *1*	559	405	109	155	— 110	394	309	86	76	— 77
2	604	253	— 28	258	121	471	198	— 21	195	99
3	54	— 185	— 54	97	196	33	— 136	— 40	58	151
4	416	201	32	111	72	295	138	23	83	51
1978 *1*	170	224	45	8	— 107	170	183	32	12	— 57
2	219	174	148	— 146	43	174	132	103	— 92	31
3	368	17	111	174	66	238	9	76	121	32
4	267	354	227	— 93	— 221	158	223	153	— 56	— 162
1979 *1*	1,110	188	81	29	812	772	127	53	37	555
2	785	212	22	187	364	441	144	14	113	170
3	721	— 3	154	89	481	362	— 8	96	35	239
4	561	29	394	— 2	140	292	6	239	— 7	54

£ million, 1975 prices

		Manufacturing[1,2]				Distributive trades		
	All industries	Total	Materials and fuel	Work in progress	Finished goods	Retail	Wholesale	Other industries
1974	1,655	1,281	470	295	516	—185	361	198
1975	—1,477	—1,120	—922	—212	14	—106	—247	— 4
1976	457	351	— 86	265	172	219	131	— 244
1977	1,193	509	17	215	277	48	412	224
1978	740	547	2	436	109	364	— 15	— 156
1979	1,867	269	— 6	3	272	402	178	1,018
Seasonally adjusted								
1977 *1*	494	251	92	136	23	109	103	31
2	423	199	— 11	20	190	16	236	— 28
3	15	4	— 19	— 23	46	— 43	— 40	94
4	261	55	— 45	82	18	— 34	113	127
1978 *1*	271	112	6	63	43	45	34	80
2	133	137	— 13	76	74	145	— 48	— 101
3	238	169	4	125	40	78	21	— 30
4	98	129	5	172	— 48	96	— 22	— 105
1979 *1*	853	50	— 31	3	78	61	75	667
2	408	148	105	90	— 47	64	151	45
3	360	159	27	— 32	164	96	— 73	178
4	246	— 88	—107	— 58	77	181	25	128

[1] Further details are given in the *Monthly Digest of Statistics.*

[2] Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

The Budget 26 March 1980

The following are the proposed changes in taxation as set out in the *Financial Statement and Budget Report 1980–81* (HMSO, March 1980).

INLAND REVENUE

Income tax

It is proposed—

to increase the single person's allowance and the maximum wife's earned income relief from £1,165 to £1,375 and the married allowance from £1,815 to £2,145;

to increase the additional personal allowance from £650 to £770;

to increase the age allowance for the single person from £1,540 to £1,820, for the married from £2,455 to £2,895, and the age allowance income limit from £5,000 to £5,900;

to abolish the lower rate of 25 per cent on the first £750 of taxable income;

to extend the basic rate band to £11,250;

to increase the width of the 45 per cent band to £3,500 and the widths of the 50 per cent and 55 per cent bands to £5,500.

As a consequence of these changes, the structure of personal tax rates in operation in 1980–81 will be:

Bands of taxable income

£	*Per cent*
0–11,250	30
11,251–13,250	40
13,251–16,750	45
16,751–22,250	50
22,251–27,750	55
Over 27,750	60

It is proposed—

to raise the threshold for the investment income surcharge for 1980–81 from £5,000 to £5,500;

to extend to the income tax rate bands and the investment income surcharge threshold the provisions requiring an annual revision in the light of changes in the prices index;

to exempt wholly from tax the pensions and annuities from certain gallantry awards;

to introduce a relief for widows in the year of the husband's death;

to reduce tax allowances for children overseas in 1981–82 and withdraw them in 1982–83;

to make certain changes in the measurement of the taxable benefit from beneficial loans and the provision of assets for employees, and, with effect from 1981–82, to alter the scales which measure the taxable benefit of company cars and the provisions which modify them by reference to the extent of business use;

to amend the law so as to provide tax reliefs for savings-linked share option schemes and to improve the reliefs for profit sharing schemes;

to reduce the rate of tax relief for life assurance premiums from 17½ per cent to 15 per cent with effect from the year 1981–82, and to withdraw relief for premiums on insurance policies taken out from today in connection with certain short-term bonds;

to increase the normal percentage limit on retirement annuity relief from 15 per cent to 17½ per cent, to increase correspondingly the limits for individuals born before 1916, to abolish the premium limit and to introduce a carry-forward of unused relief;

to extend from 1981–82 onwards, the tax relief allowed to individuals for covenants in favour of charities, to the higher and additional rates; to reduce from 'over 6 years' to 'over 3 years' the minimum period for which a covenant in favour of a charity must run to be effective for tax purposes;

to allow income tax relief on certain capital losses on equity investment in unquoted trading companies;

to allow relief for interest paid on money borrowed for investment in a close company to borrowers having a material interest, but who do not work for the greater part of their time in the company's business.

Income tax and corporation tax

It is proposed—

to allow certain stock relief recovery charges to be deferred for one year;

to replace the 100 per cent first year allowance by 25 per cent writing down allowances for expenditure on certain plant and machinery for leasing; and that certain income tax losses arising from leasing should not be available against non-leasing income;

that expenditure on the construction of industrial or commercial buildings in enterprise zones should qualify for 100 per cent capital allowances;

that expenditure in the next three years on the construction of small industrial buildings should qualify for 100 per cent capital allowances;

to end the apportionment of the trading income of close trading companies;

to end the close company restrictions on interest paid to directors;

to tax as trading receipts certain grants made under the Industry Act 1972 to the extent, if any, that this is not achieved under existing law;

to allow certain costs of raising business loan finance and expenditure incurred prior to the commencement of a trade;

to allow certain voluntary redundancy payments made on the cessation of a business;

to reduce the tax charge on certain demergers;

to revise the rules of the sub-contractors' tax deduction scheme.

Corporation tax

It is proposed for the financial year 1979 to fix the 'small companies' rate of corporation tax at 40 per cent (previously 42 per cent) and to increase the limit for that rate from £60,000 to £70,000 and the limit for marginal relief from £100,000 to £130,000.

Corporation tax and capital gains tax

It is proposed—

to exempt authorised unit and approved investment trusts from tax on their capital gains, and end the present credit system for their investors;

to end the treatment of trading options as wasting assets.

Petroleum revenue tax (PRT)

It is proposed—

to increase the rate of PRT from 60 per cent to 70 per cent for chargeable periods ending after 31 December 1979;

to advance payments of PRT for the chargeable period to 30 June 1981 and succeeding chargeable periods;

Special provisions are proposed: for gas fractionation and valuation; for gas banking arrangements; for unrelieved expenditures on the transfer of an interest in an oil or gas field; and for fields spanning the median line between the Continental Shelf of the United Kingdom and that of another country.

Capital gains tax

It is proposed—

to increase the threshold from 1980–81 so as to exempt individuals on the first £3,000 of capital gains in a year and most trusts on the first £1,500;

to introduce a rollover relief for lifetime gifts between individuals and to allow the capital transfer tax paid as a deduction against any subsequent gain on the transferee;

to provide relief for private residences used for residential lettings.

Development land tax

It is proposed—

to introduce measures allowing a taxpayer to elect to have the tax on a deemed disposal fixed earlier than at present;

to exempt charities from the tax in respect of disposals of a interest in land made on or after 26 March 1980;

to exempt from the tax disposals of an interest in land within an enterprise zone within 10 years of the zone being so designated.

Capital transfer tax

It is proposed—

to increase the upper limit of the nil rate band for both death and lifetime transfers from £25,000 to £50,000 and to increase the exemption limit for transfers to non-domiciled spouses correspondingly;

to increase the small gifts exemption to £250, and the exemption for transfers on death or within a year of death to charities to £200,000.

Capital transfer tax and income tax

It is proposed to widen the scope of the provisions under which tax reliefs are available for trusts set up for the maintenance of certain kinds of heritage property, so as to embrace a wider range of property and to permit withdrawals from such trusts for purposes unconnected with the heritage.

Stamp duties

It is proposed—

to raise with effect from 6 April 1980 the level below which transfers of property (other than stocks and shares) are not liable to stamp duty from £15,000 to £20,000, to adjust the associated bands of reduced rates of duty correspondingly and to alter certain limits affecting stamp duty on new leases;

to apply an existing special stamp duty treatment affecting stock exchange jobbers to dealings in unlisted stocks and shares by licensed dealers;

to free certain charitable deeds of covenant from stamp duty.

Surcharges and rebates in respect of excise duties

It is proposed to amend the Excise Duties (Surcharges or Rebates) Act 1979 to abolish the annual statutory renewal of the Treasury's power to make orders under the Act, to remove the restrictions on the purposes for which such Orders may be made, and to alter the provisions of the Act relating to Parliamentary control.

Value added tax

It is proposed that from 1 May 1980 the zero rate of VAT shall cease to apply to lubricating oils. Schedule 4, Group 7 of the Finance Act 1972 will be amended accordingly.

It is proposed to amend Section 20(1) and Schedule 1 to the Finance Act 1972 relating to VAT so as from 27 March 1980 to increase the registration limit to £13,500 per annum and to introduce a single quarterly registration limit of £4,000. From 1 June 1980 the deregistration limit, where future turnover is concerned, will become £12,500 per annum and, where past turnover is concerned, £13,500. It is also proposed from the same date to grant additional relief on stocks and assets at deregistration.

Alcoholic drinks

It is proposed, from midnight 26–27 March 1980, to increase:

a the rate of duty on spirits by £1·43 per litre of alcohol in the spirits;

b the rate of duty on beer by £2·40 per hectolitre and the charge for each additional degree of original gravity above 1030° by £0·08 per hectolitre;

c the rates of duty on wine by the following amounts per hectolitre:

Wine of an alcoholic strength:	
not exceeding 15 per cent	£9·93
exceeding 15 per cent but not exceeding 18 per cent	£11·45
exceeding 18 per cent but not exceeding 22 per cent	£13·48
exceeding 22 per cent ... ... plus £1·43 for every 1 per cent, or part of 1 per cent, in excess of 22 per cent;	£13·48
surcharge on sparkling wine	£2·18

d the rates of duty on made-wine, by the following amounts per hectolitre:

Made-wine of an alcoholic strength:	
not exceeding 10 per cent	£6·44
exceeding 10 per cent but not exceeding 15 per cent	£9·65
exceeding 15 per cent but not exceeding 18 per cent...	£10·61
exceeding 18 per cent ... ... plus £1·43 for every 1 per cent, or part of 1 per cent, in excess of 18 per cent;	£10·61
surcharge on sparkling made-wine	£1·00

e the rate of duty on cider and perry by £0·73 per hectolitre.

Hydrocarbon oil duties

It is proposed, from 6 p.m. on 26 March 1980, to increase:

a the rate of duty on light hydrocarbon oil, petrol substitutes and spirits used for power methylated spirits by 1·9p per litre;

b the rate of duty on heavy hydrocarbon oil for use as road fuel by 0·8p per litre;

c the effective rate of duty borne by rebatable oils (except kerosene used other than as aviation fuel) by 0·11p per litre;

d the rate of duty on gas for use as road fuel by 0·95p per litre.

Tobacco

It is proposed, from midnight 28–29 March 1980, to increase:

a the specific element in the duty on cigarettes by £1·65 per 1,000 cigarettes (the *ad valorem* element remaining unchanged);

b the duty on cigars by £4·66 per kilogram;

c the duty on hand-rolling tobacco by £2·32 per kilogram;

d the duty on other smoking and chewing tobacco by £1·31 per kilogram.

Gaming licence duty

It is proposed to amend the Betting and Gaming Duties Act 1972 to provide, with effect from 1 October 1980, for a two-part gaming licence duty. For the two 6-month licensing periods up to 30 September 1981, the first tranche will be a payment equal to that payable under the current duty arrangements. The second tranche, payable up to five months after the licensing period, will be a proportion of the gross gaming yield (stakes less winnings) as follows:

2½ per cent of the first £250,000, plus
5 per cent of the next £500,000, plus
10 per cent of the next £1,750,000, plus
20 per cent of the remainder of gross gaming yield;

less the initial payment under the first part.

For licensing periods starting on 1 October 1981 or later the first part will be £250. The second will be:

2½ per cent of the first £250,000, plus
5 per cent of the next £500,000, plus
10 per cent of the next £1,750,000, plus
20 per cent of the remainder of gross gaming yield.

Bingo duty

It is proposed to increase, with effect from 29 September 1980, the rate of bingo duty to 7½ per cent of stakes plus 3/37ths of any amount by which the total value of the prizes won in each week exceeds stakes after deduction of the duty payable.

Gaming machine licence duty

It is proposed to amend the Betting and Gaming Duties Act 1972, with effect from 1 October 1980, to restructure the rates of duty on ordinary gaming machine licences.

It is proposed to abolish the duty on penny machines and, with it, the holiday season licence for such machines.

It is proposed to amend in a similar manner the comparable Gaming Machine Licence provisions in the Miscellaneous Transferred Excise Duties Act (Northern Ireland) 1972.

Vehicle excise duty

It is proposed to increase the excise duty on mechanically-propelled vehicles which is chargeable under Section 1 of the Vehicles (Excise) Act 1971 and under Section 1 of the Vehicles (Excise) Act (Northern Ireland) 1972. The increases have effect in relation to licences taken out after 26 March 1980. The annual rates of duty on cars will be increased by 20 per cent with the exception of goods vehicles over 9 tons unladen wieght whose rates of duty will be increased by approximately 30 per cent. These percentage increases are broadly descriptive and there will be some variations within particular vehicle categories.

It is also proposed to exempt electrically-propelled vehicles from duty and such exemptions will take effect after 26 March 1980.

Direct effects of changes in taxation

	£ million	
	Forecast for 1980–81	Forecast for a full year
Inland Revenue		
Income tax		
Increase in single allowance by £210 and married allowance by £330	−1,630	−1,994
Increase in additional personal allowance by £120	− 10	− 12
Increase in age allowance by £280 (single) and by £440 (married) and in income limit by £900	− 169	− 211
Abolition of lower rate band	+ 748	+ 901
Increase in higher rate threshold to £11,250	− 58	− 106
Changes in further higher rate thresholds	− 40	− 86
Increase in investment income surcharge threshold	− 2	− 31
Extension of indexation provision	[1]	[2]
Exemption from tax of pensions and annuities from certain gallantry awards	Negligible	Negligible
Widows' bereavement allowance	− 2	− 2
Withdrawal of child tax allowance for non-resident children	Nil	+ 7
Changes in taxation of fringe benefits	Nil	+ 15
Relief for savings-linked share option schemes	Nil	[3]
Further relief for profit sharing schemes	Negligible	− 150[4]
Reduction in relief on life assurance premiums	Nil	+ 77
Withdrawal of life assurance relief on certain policies	+ 7	+ 15
Changes in retirement annuity relief	− 32	− 65
Changes in relief on covenanted gifts to charities	Negligible	− 25
Income tax relief for capital losses	Negligible	− 20
Extension of interest relief for borrowing to invest in close companies	Negligible	Negligible
Income tax and corporation tax		
Stock relief: deferral of recovery charges	− 210	Negligible[5]
Capital allowances: leasing	Negligible	+ 225[6]
Capital allowances: enterprise zones	Negligible	− 20
Capital allowances: small industrial buildings	Negligible	− 20
Ending apportionment of trading income of close trading companies	Negligible	− 5
Relief for cost of raising loan finance	Negligible	− 5
Relief for demergers	[7]	[7]
Corporation tax		
Reduction in small companies' rate and increase in limits	− 20	− 35
Corporation tax and capital gains tax		
Exemption for unit and investment trusts (and removal of credit for investors)	Negligible	− 10
Petroleum revenue tax		
Increase in rate	+ 350	+ 170[8]
Advance petroleum revenue tax	+ 200	Nil
Gas fractionation; valuation; and gas banking	− 15	− 7[9]
Capital gains tax		
£3,000 exempt slice for individuals and £1,500 for trustees	Negligible	− 65[10]
Rollover relief for lifetime gifts	Negligible	− 5
Development land tax		
Option to have liability on a deemed disposal fixed in advance	Nil	− 1
Other minor items	Nil	Negligible
Capital transfer tax		
Increase in threshold	− 60	− 125[11]
Increase in exemption limit for charitable gifts	− 2	− 5
Other minor items	Negligible	Negligible
Capital transfer tax and income tax		
Maintenance funds for historic buildings, etc.	Nil	[12]
Stamp duties		
Raising of thresholds by £5,000	− 75	− 85
Other minor items	Negligible	Negligible
Total Inland Revenue	−1,020	−1,680

[1] Effective from 1981–82.
[2] The cost will depend on increases in prices; and implementation will be subject to review by Parliament.
[3] The yield from new option schemes, if they were subject to taxation, might eventually reach a figure of the order of £100 million. No cost is shown however since new schemes would be unlikely to be introduced without the proposed relief and the yield of income tax is therefore unaffected.
[4] The estimate of the cost is highly tentative since it will depend on the extent to which the reliefs are used.
[5] The cost in 1981–82 will be £125 million.
[6] The yield in 1981–82 will be £90 million.
[7] Large sums could be involved but no cost is shown since the demergers are unlikely to occur without the new relief.
[8] Petroleum revenue tax +£350 million; corporation tax – £180 million.
[9] Petroleum revenue tax −£15 million; corporation tax +£8 million.
[10] The cost in 1981–82 will be £25 million.
[11] The cost in 1981–82 will be £115 million.
[12] There could be a long-term cost but its extent cannot be quantified.

Direct effects of changes in taxation—*(continued)*

	£ million	
	Forecast for 1980–81	Forecast for a full year
Customs and Excise		
Value added tax		
Increase in registration limits	− 5	− 10
Increase in rate of VAT on lubricating oils	+ 12	+ 17
Excise duties		
Increase in rate of duty on light oil, etc.	+ 450	+ 450
Increase in rate of duty on heavy oil or use in road vehicles	+ 55	+ 55
Increase in effective rate of rebatable oil duty	+ 50	+ 50
Increase in rates of tobacco products duty	+ 180	+ 195
Increase in rates of spirits duties	+ 40	+ 40
Increase in rates of beer duty	+ 190	+ 205
Increase in rates of wine and made-wine duties	+ 40	+ 40
Increase in rate of duty on cider and perry	+ 3	+ 3
Replacement of gaming licence duty	Nil	+ 9[13]
Restructuring of gaming machine licence duty	Negligible	+ 1
Increase in rates of bingo duty	+ 5	+ 10
Total Customs and Excise	+1,020	+1,065
Vehicle Excise Duty		
Increase in rates of duty	+ 240	+ 240
Abolition of Vehicle Excise Duty on electrically-propelled vehicles	− 2	− 2
Other		
Bus Fuel Grants[14]	− 3	− 3
Total changes in taxation	**+ 235**	**− 380**

[13] The yield in 1981–82 will be £5 million.

[14] This is a consequence of the increases in road fuel duties.

Economic prospects to mid-1981

The following note and tables are reproduced from the *Financial Statement and Budget Report 1980-81* (HMSO, March 1980).

Summary

As in the autumn Industry Act forecast a significant decline in economic activity is projected for 1980. This is partly the consequence of a poor projected real trade balance, reflecting both weak world demand and the effects of a rate of inflation in the United Kingdom in excess of the money supply target. The second major factor is a likely swing from positive to negative stockbuilding. Very tentatively a GDP fall of 2¼ per cent between 1979 and 1980 has been projected. In recent months there have been further increases in oil prices and a disappointingly high average rate of pay settlement. The rate of inflation this year is likely to be higher than expected in the autumn, though a considerable slowing down in both pay and price increases should be visible before the end of the year. The Retail Price Index (RPI) increase on 12 months earlier is forecast to be 16½ per cent in the fourth quarter of 1980 falling to 13–14 per cent in the second quarter of 1981. Both the timing of the reduction in inflation and the pace of the subsequent recovery in personal consumption, investment and output depend critically on the development of pay settlements. Conditions of declining output and profit margins squeezed by international competition should be favourable to a comparatively rapid adjustment of pay expectations. A higher than expected PSBR of just over £9 billion is expected for 1979–80 in part because some payments—notably receipts of VAT—have been delayed beyond the end of the financial year. In 1980–81 the PSBR is forecast to decline to £8½ billion, a fall from 4¾ per cent to 3¾ per cent of market price GDP.

Policy assumptions

The forecast is based on the public expenditure and taxation policies set out in the Budget speech and public expenditure White Paper (Cmnd. 7841) and in this report. The growth of the money supply is assumed to be at the centre of the 7–11 per cent range. The exchange rate is assumed to be determined by market forces. No credit is taken for changes to be negotiated in the present arrangements determining United Kingdom contributions to the EEC.

Inflation

The fall in inflation during 1980, which seemed likely in the autumn, will have been delayed by a disappointingly high average rate of pay settlement during the winter and by further large increases in the prices of materials and fuel used by industry and by the increase in mortgage rates. Pay settlements so far indicate that the 1979 rate of earnings increase of around 19 per cent may continue into the early months of 1980, though there is evidence of a wide dispersion of settlements reflecting the differing economic circumstances of the negotiating groups involved. Prices of inputs into non-food manufacturing rose by 41 per cent in the 12 months to February. Although nearly three-quarters of this increase reflects crude oil prices, there have been significant increases in some other commodity prices, notably metals. The strength of sterling has helped to moderate these increases.

With a weak prospect for output and employment and with the financial pressures on many companies enhanced by strong international competition the prospect is still for the pace of inflation to slow down fairly quickly, though the increase in retail prices during 1980 may be only slightly below that of 1979. A 12-month increase of 16½ per cent is forecast for the fourth quarter of 1980 falling to 13½ per cent by the second quarter of 1981. In the second quarter of 1980 the 12-month increase is likely to peak at slightly over 20 per cent, largely because the index will reflect the short-term effects of both the 1979 and 1980 Budgets. Over the same period the Tax and Price Index (TPI), which takes account also of changes in the burden of direct taxation is likely to increase by 3–4 per cent less than the RPI.

External trade

Any assessment of trade prospects must take into account the large deterioration since 1978 in the United Kingdom's cost and price competitiveness and also the effect of recession or weak growth in much of the rest of the world. For the main industrial countries in total a low rate of real output growth of less than 1 per cent is projected for 1980 although, taking into account the pattern of United Kingdom exports, including the OPEC countries, the growth in potential markets may be of the order of 4 or 5 per cent. The current level of United Kingdom manufacturing labour costs relative to our competitors is estimated at around 30 per cent above that for 1978, and on the assumption that the effective exchange rate remains constant an early improvement cannot be expected. With such a large change in competitiveness, the forecast is greatly affected by the view that is taken of the elasticities and time lags involved. In addition, there is scope for different assessments of the effects of the recession, notably on import propensities. Large increases in import penetration for manufactures have occurred mainly when domestic output has failed to keep pace with substantial increases in demand; apart from the effects of competitiveness it seems likely that the import propensity would drop back in the recession, as it did in 1975. Although a reduced level of home demand is likely to benefit exports this will probably have more effect in later years than in 1980. The forecast also takes account of longer term trends in import penetration and in export shares and allows for a better relative performance of exports since 1975. Given all these factors, and allowing also for a further rise in net exports of oil, changes in both exports and imports of goods and services are forecast to be small this year; an increase of less than 1 per cent in exports and of about 2 per cent in imports. Since this occurs in conjunction with a drop in United Kingdom demand the trade balance is an important factor contributing to the projected recession.

Domestic demand and output

While both measurement and prediction of stockbuilding movements are hazardous there are reasons for expecting a substantial contractionary effect from this source. Stock-output ratios were probably high by normal standards at the end of 1979 and financial pressures on manufacturing companies, as well as declining sales, will encourage stock reductions. This is one of the more important reasons for the forecast recession. A significant cyclical decline in manufacturing investment is also likely, though a small rise is forecast for total private sector investment.

General Government expenditure on goods and services is also forecast to fall in 1980—by about 2 per cent—after taking account of the reduced programmes reflected in the current White Paper (Cmnd. 7841).

Personal consumption, however, may rise slightly in 1980, though this forecast depends on the savings ratio falling in response to a small decline in real personal disposable incomes; since real incomes had been rising quickly until 1979 some significant change in savings behaviour is likely. The check to real incomes is partly an effect of the recession and partly reflects the substantial non-wage element in inflation already referred to. By the end of 1980 and in 1981 a declining rate of pay increase may also have adverse short-term effects on real incomes, but the associated decline in actual and expected inflation should be a further factor tending to bring down the savings ratio.

The forecasts for domestic demand and external trade point inevitably to an output recession this year. In view of the large changes involved and given the uncertainties of a period of adaptation to a change in policy, the extent of recession must be exceptionally uncertain and the true margin of error is substantially greater than the average figures of 1 per cent quoted in Table 1 on the basis of previous forecasting experience. For the first half of 1981 a small further decline has been forecast though the rate of fall is less than in the two previous half years; the emphasis on uncertainty must be even greater.

The implication of this forecast is for a further decline in employment and an increase in unemployment. The duration and scale of the rise in unemployment depends a great deal on how quickly the rate of inflation comes down. This will affect both the recovery in output and the severity of the financial pressures on employers in both public and private sectors who will be influenced in their employment policies by the level of their total labour costs.

The current account

To offset against the marginal worsening of the trade balance in volume terms there may be an improvement in the United Kingdom's terms of trade in 1980, largely reflecting the strength of sterling. Unless world conditions produce a sharp reaction in commodity prices, however, the improvement is likely to be modest, though perhaps sufficient to produce a significant improvement in the goods and services component of the current account. A further worsening in the balance of interest, profits and dividends and transfers is likely, however; increases in North Sea oil profits due abroad and in United Kingdom contributions to the EEC (taking no credit for reductions to be negotiated) are among the major factors.

For the current account as a whole a deficit of the same order as for 1979 is forecast for 1980. By the first half of 1981, however, the trend in the current account is likely to be favourable.

Short-term economic prospects

TABLE 1

	1979 to 1980	Margins of error[1]
A. Output and expenditure at constant 1975 prices		
Percentage changes:		
Gross domestic product (at factor cost)	−2½	1
Consumers' expenditure	1	1
General Government expenditure on goods and services	−2	1½[2]
Other fixed investment	1	3
Exports of goods and services	½	2½
Stockbuilding (as per cent of GDP)	−2	¾
Imports of goods and services	2½	2
B. Balance of Payments on current account		
£ billion:		
1980 First half	−1½	½
1980 Second half	−1½	½
1981 First half	−1	1¼
C. Public Sector Borrowing requirement		
£ billion—in brackets per cent of GDP at market prices:		
Financial Year 1979–80	9 (4¾)	..
Financial Year 1980–81	8½ (3¾)	3
D. Retail price index		
Per cent change:		
Fourth quarter 1979 to fourth quarter 1980	16½	2½
Second quarter 1980 to second quarter 1981	13½	5½
E. Money supply (Sterling M3)		
Per cent change at annual rate:		
Mid-February 1980 to mid-April 1981	9	..

[1] The errors relate to the average differences (on either side of the central figure) between forecast and outturn. The method of calculating these errors has been explained in earlier publications on Government forecasts, notably in November 1978. (See *Economic Progress Report* Supplement or *Economic Trends* No. 301, November 1978.) The calculations for the constant price variables are now derived from forecasts made during the period June 1965 to November 1977. For the current balance and the retail price index forecasts made between June 1970 and November 1977 are used. For the PSBR in 1980–81 the error is based on the mean absolute error of PSBR forecasts (measured as a percentage of GDP) published at Budget time. The errors are after adjustment for the effects of major changes, where excluded from the forecasts, in fiscal policy and hire purchase terms controls. Quarterly forecasts are grouped so as to be comparable with the forecasts for calendar years and half years as shown. Thus, for a constant price variable forecast made in quarter 0 the errors relate to the forecast period (quarters 0 to 3) compared with the 'base year' (quarters −4 to −1). For retail price index the margin relates to the absolute error applicable to quarters 3 and 5.

[2] This margin applies to General Government consumption.

PSBR

The PSBR for 1979–80 is likely to be just over £9 billion. The upward revision since the autumn reflects some delays in tax payments—notably for VAT—and rather higher borrowing by local authorities and public corporations, reflecting both higher fixed investment and lower trading surpluses.

For 1980–81 a fall is projected even in nominal terms to about £8½ billion. As a share of GDP the forecast falls from 5½ per cent in 1978–79 to 4¾ per cent in 1979–80 and 3¾ per cent in 1980–81. A PSBR forecast reflects a large number of diverse transactions and the reasons for a particular year-to-year movement are complex. The forecast fall can, however, be accounted for in broad terms by a small number of major developments; of these the most important is the receipt of a complete year's VAT at the increased rate in 1980–81, whereas this applied to only about half of 1979–80.

Margins of error

Table 1 shows alongside the forecast the customary estimates of margins of error based on past forecasting experience. Apart from being average rather than maximum margins, past forecasting errors may not be a good indicator of present uncertainties. For one thing, uncertainty is almost certainly greater when large fluctuations in economic activity are expected both for the United Kingdom and for the world as a whole. Secondly, the period of adjustment to a large reduction in inflation and a different approach to policy inevitably introduces major uncertainties. For example, the margin of error of 1 per cent attaching to the GDP volume forecast looks unrealistically low in present circumstances.

Forecast of expenditure, imports and gross domestic product[1]

TABLE 2

	£ million at 1975 prices, seasonally adjusted												
		General government expenditure on goods and services							*less*	*less*	*plus*		
	Consumers' expenditure	Final consumption	Fixed investment	Total	Other fixed investment	Exports of goods and services	Stockbuilding[1]	Total final expenditure	Imports of goods and services	Adjustment to factor cost	Statistical adjustment[1]	Gross domestic product at factor cost[1]	GDP index 1975 = 100
1977	63,200	23,250	3,950	27,200	16,200	31,400	1,250	139,250	30,500	10,800	−450	97,500	104·7
1978	66,650	23,700	3,550	27,250	16,950	32,050	800	143,700	31,650	11,850	—	100,200	107·7
1979	69,400	23,950	3,400	27,350	16,450	32,650	1,450	147,300	35,150	12,300	2,000	101,850	109·5
1980	70,000	23,950	2,800	26,750	16,600	32,850	−450	145,750	35,950	12,300	1,800	99,300	106·7
1978 first half ..	32,850	11,800	1,800	13,600	8,600	15,850	400	71,300	15,700	5,900	—	49,700	106·8
second half ..	33,800	11,900	1,750	13,650	8,350	16,200	400	72,400	15,950	5,950	—	50,500	108·5
1979 first half ..	34,900	11,950	1,650	13,600	8,150	15,900	1,050	73,600	17,200	6,250	750	50,900	109·4
second half ..	34,500	12,000	1,750	13,750	8,300	16,750	400	73,700	17,950	6,050	1,250	50,950	109·5
1980 first half ..	35,150	12,000	1,450	13,450	8,400	16,500	−250	73,250	18,050	6,200	900	49,900	107·3
second half ..	34,850	11,950	1,350	13,300	8,200	16,350	−200	72,500	17,900	6,100	900	49,400	106·1
1981 first half ..	35,100	12,000	1,300	13,300	8,050	16,200	−200	72,450	17,950	6,150	900	49,250	105·9
Percentage changes													
1977 to 1978 ..	5½	2	−10	—	4½	2		3	4	9½			3
1978 to 1979 ..	4	1	− 4	½	−3	2		2½	11	4			1½
1979 to 1980 ..	1	—	−17½	−2	1	½		−1	2½	—			−2½
First half 1979 to first half 1980 ..	½	½	−11½	−1	2½	3½		− ½	5	−1			−2
First half 1980 to first half 1981 ..	—	—	−12½	−1½	−4	−1½		− 1	− ½	−1			−1½
Percentage changes at annual rate													
Second half 1979 to first half 1981 ..	1	—	−19	−2½	−2	−2		−1½	—	1			−2

[1] All figures in Table 2 are based on 'compromise' estimates of gross domestic product. The statistical adjustment reflects the different movement of expenditure and compromise series.

Note: Figures in £ million are rounded to £50 million. Percentage changes are calculated from unrounded levels in £ million and then rounded to ½ per cent. The GDP index in the final column is calculated from unrounded numbers.

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United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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Dd 595317 K32 4/80

ISBN 0 11 726022 3
ISSN 0013-0400

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